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In 2 Sections — Section 1

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EDITORIAL

As We See It

THE YEAR AHEAD

We cannot readily recall any period of time when more words were devoted to analyses of the business outlook than has been the case during the past month or two. Let two or three gather together anywhere at any time, and the subject of what is ahead for business is to the fore without delay.

Full many a participant in these endless discussions and arguments must, however, recall the famous lines of Omar Khayyam:

Myself when young did eagerly frequent
Doctor and Saint, and heard great argument
About it and about: but evermore
Came out by the same door as in I went.

Still the question is a vital one, and while no one and no group of men may be able to come up with predictions wholly convincing, there are a number of factors which when carefully weighed yield at least a basis for appraisal of the prospects for 1954.

It has become the fashion to separate various "sectors" of the business world for individual analyses to be followed by some attempt at a synthesis of these departmental findings. The technique, possibly as good as any, still has some major defects. It is usually necessary more or less to assume other things as equal when studying one isolated part of the economy. But these various elements in the situation react the one upon the other, a fact which leaves the task of synthesis difficult to say the least.

We sometimes wonder if the mature businessman with a wealth of commonsense and with wide experience in industry, trade and finance

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Relation of Currency Supply To Economic Growth

By WALTER E. SPAHR

Professor of Economics, New York University
Executive Vice-President, Economists' National Committee on Monetary Policy

Dr. Spahr, in taking issue with the theory that prices are, can be, and should be, determined by the supply of money, and that to keep the economy growing, there is need for an increasing supply of money, discusses the quantity theory of money and points out its limitations and defects. Stresses importance of quality as opposed to quantity of currency as a price factor. Sees dangers in expanding currency to enforce stable prices, and concludes "best means of moving toward economic equilibrium is provided by free and fair competition, and sound currency."

Announcement of a New Federal Reserve Policy?

In the subheading of an anonymous article entitled "Money for Still More Growth," *Business Week* (330 West 42d Street, New York, Dec. 12, 1953), pp. 29-30, announced that "The Federal Reserve System has developed a long-range policy of increasing the money supply as the U. S. economy expands—aiming at both growth and stability."

Dr. Walter E. Spahr

The article is vague as to the meaning of "growth." In one place "industrial activity" is mentioned, but without any indication as to what this means or as to how it is measured. For example, it is said, p. 29: "Plot the course of U. S. industrial activity over the years, and you have a profile of a jagged mountain range that reflects the course of alternate prosperity and depression. Run a straight line through the center of these peaks and valleys, and you have a gradient rising upward at the rate of about 3% per year. This is the long-term trend line of the American economy." According to a chart

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Business and Finance Speaks After Turn of the Year

Continuing our custom of former years, the CHRONICLE features in today's ANNUAL REVIEW AND OUTLOOK ISSUE the individual opinions of government officials and of the country's leading industrialists, bankers and financiers as to the probable trend of business in the current year. These forecasts written especially for the CHRONICLE, provide the reader with up-to-the-minute official views as to the indicated course of business in all industries. The statements begin herewith:

HON. WILLIAM F. KNOWLAND

U. S. Senator from California

For the first time in several years, the nation's economy will be strengthened by personal income tax reductions and encouraged by termination of the excess profits tax. The nation's businesses once again can look forward to a free competitive enterprise system rather than one under controls which were left over from World War II and the Korean War. To the average American this means better paid jobs, a rising standard of living and, more important than anything else, a dollar bill which will purchase more goods and services.

Sen. W. F. Knowland

Since the past is usually prologue, a few comments on what occurred in 1953, since the inauguration of President Eisenhower on Jan. 20, may be appropriate to outline what our citizens may expect in 1954. In 1953, personal income increased to $285 billion. Wages and salaries increased 8% over 1952. Government controls on prices, wages, and production were eliminated. The inflationary trend of our economy has been halted. The overall rise in the cost of living last year was no more than 1% and the loss of the purchasing power of the dollar has been stopped. The earnest endeavors being made by the Administration and the Congress to reduce Federal

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In the SECOND SECTION of today's ANNUAL REVIEW ISSUE we show monthly high and low prices of every stock and bond issue in which dealings occurred on the New York Stock Exchange during 1953.

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A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

(The articles contained in this forum are not intended to be, nor are they to be regarded, as an offer to sell the securities discussed.)

This Week's Forum Participants and Their Selections

Alleghany Corporation — Merritt F. Beal, Analyst, Peter P. McDermott & Co., New York City. (Page 2)

Brazilian Traction Light and Power Ordinary Shares—William A. Seligmann, Seligmann & Co., Milwaukee, Wis. (Page 2)

MERRITT F. BEAL
Analyst, Peter P. McDermott & Co., New York City
Members, New York and American Stock Exchanges

Alleghany Corporation

Romance seems to be the word for Alleghany Corporation, currently my speculative favorite, especially for capital gains. Alleghany controls Chesapeake & Ohio by orders of ICC and in handling "CO" affairs, as well as its own, the management has demonstrated remarkable acumen. Even a casual study of the operations that have brought Alleghany from far "under water" to a sound position, should intrigue every admirer of practical intelligence and progressive ideas. Precedents have been broken in innumerable instances and outmoded processes cast aside ruthlessly.

Merritt F. Beal

The annals of Wall Street are filled with stories of important operations of past industrial leaders and of other developments which made our economy what it is today. Much publicity has been given the spectacular coups of these masters of high finance of other days. It seems strange, therefore, that current sophisticates fail to grasp the fact that right now, without the slightest concealment, in fact with full disclosure, a new railroad empire is forming. One of the major operations in transportation history is in progress.

The carrier operating the most mileage is Santa Fe with about 13,000 miles. New York Central and Chesapeake & Ohio combined would embrace some 15,000 miles, penetrating ten of our principal industrial states and also entering Canada. This combine is proceeding smoothly and at last reports, Chesapeake & Ohio owned 12½% of the stock of Central. The Huntingtons, Hills, and other great railroad builders of the past, live in history and yet, their efforts are being surpassed, while the public pays small attention. Alleghany management dominates this vast design.

Great sums were loosed during 1953 by sales of "Mop" bonds, Industrial Brownhoist and Cleveland Cliff Iron, with exact reasons not yet apparent, but we can rest assured of profitable use. At last reports, Alleghany still owned 396,000 shares of "Mop" common, an interesting potential. Its joint ventures run into millions and were not entered without promising objectives.

In recent years, Mutual Funds have mushroomed into major financial operations and those who decry Wall Street's lack of merchandising ability seem to know little of these Funds. They present a marvelous instance of bringing billions of dollars of new money into the financial districts. Alleghany, through control of Investors Diversified Services, has become a prominent figure in the Mutual Fund field and has, in the aggregate, control of well over a billion dollars. So far, Alleghany gets no dividends from IDS, but earnings per share on that company were around $24 in 1953, compared to $18 in 1952. IDS is not well known among investors as certain restrictions prevent present dividends but it represents a dynamic growth situation which I think must ultimately be reflected in Alleghany stock prices. Alleghany's equity in the undistributed 1953 earnings of Chesapeake & Ohio, Pittston Co., and IDS alone were substantial, but figures are not yet available. They exceeded $3,500,000 in 1952.

When the "Young-Kirby" group took over Alleghany Corporation in 1937, it was so far "under water" that there seemed little likelihood it could be salvaged as a going concern. Yet, from the debt-ridden remnants, steady improvement in the affairs of the company was shown year after year through a continuous series of astute maneuvers unequalled in contemporary financial history.

If the past records of Alleghany can be taken as criteria of the future, the stock and warrants present such promise, that it is almost inconceivable they should long remain at present low prices. The warrants on the American Exchange are a perpetual call on the common stock at 3¾. Of all the speculative propositions being put forward to entice venture capital, none, in my opinion, is as fraught with capital gains prospects as these two issues. Alleghany's growth possibilities are enormous.

WILLIAM A. SELIGMANN
Seligmann & Company, Milwaukee, Wis.

Brazilian Traction Light and Power Ordinary Shares

Recently press reports alleged that Brazilian President, Getulio D. Vargas, threatened to nationalize that country's electric power industry. He stated, "They do not give us the service we require."

In view of Brazilian Traction Light and Power's proposed $1½ billion 10-year expansion program this remark hardly seems justified. In fact, it would appear intended more as a spur, than a statement of actual policy.

Coupled with this the company has recently omitted regular cash dividends to conserve working capital for planned expansion. These two factors, the threat of nationalization, and the lack of a cash dividend have had a depressing effect on the shares of Brazilian Traction.

Brazilian Traction Light and Power Company is a holding company whose subsidiaries supply electric power, gas, water, telephone and tramway service to the more populous areas of that country. Population growth has been phenomenal, increasing from 45,300,000 in 1944 to approximately 55 million at present. The population of the two largest communities has increased proportionately: Rio de Janeiro 1,941,000 in 1944; 2,400,000 in 1950; Sao Paulo 1,500,000 in 1944; 2,200,000 in 1950. Both of these centers are within the company's operating territory.

Agriculture is still the principal occupation of Brazil but industrial production has expanded rapidly. Principal farm products are cotton, sugar, rice, and coffee. Products of mines include coal, diamonds, petroleum, copper and high grade manganese ores. Manufactured products are for the most part closely allied with agricultural output. Major industries are foodstuffs, textile and chemical. The country also has a greatly expanding iron and steel industry. In 1951 pig iron output was 772,023 metric tons, steel 841,780 tons. Sao Paulo is by far the leading industrial area.

Properties of Brazilian Traction subsidiaries include three hydro plants of 162,000, 166,624 and 474,000 kws. Additional facilities bring present generating capacity to approximately 958,309 kws. Proposed expansion and construction already in progress will greatly increase this capacity. The company owns 2,319 miles of transmission lines and 51,538 miles of distribution lines. Company subsidiaries have 1,366 miles of gas mains laid, and 537,125 telephones in service.

Both gross revenue and net income have shown continual uninterrupted increases.

1952 gross revenues approximated $170 million compared with $76 million in 1946. Net earnings for the year ending December, 1952, were $2.96 a share. Until recently annual dividends of $1 per share were paid. This rate remained unchanged since 1944.

Currently the company is in very sound financial condition with cash totaling $23 million and net current assets equal to approximately $50 million. Present Brazilian Traction indebtedness approximates $192 million.

Rapidly expanding population, agriculture and industrial growth, and the company's extensive construction program make the Ordinary Shares of Brazilian Traction an interesting speculation. The Shares are listed on the Montreal, Toronto and American Stock Exchanges and also traded in the Over-the-Counter Market.

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Department Stores Face Major Tests in 1954

By MALCOLM P. McNAIR*

Lincoln Filene Professor of Retailing
Harvard Graduate School of Business Administration

Although holding, in 1954, department stores will face an uphill battle for profits, and that a downward turn in business somewhat similar to 1949 may be expected, Prof. McNair does not see any serious recession ahead. Looks for little change in price level. Reviews important trends in public and private spending, and says he is "reasonably optimistic on outlook for consumer spending in 1954." Is hopeful for bright economic future, if adverse threats and trends can be successfully countered.

Speaking recently at a meeting of the American Marketing Association in Washington, "Red" Motley delivered the quip that if all the economists in the country were laid end to end they would still point in all different directions. Whatever truth there may have been in this observation in the past, the opening of the new year 1954 seems to be one time when there is remarkable unanimity in the predictions of business forecasters and economic soothsayers. Almost uniformly they expect that business during this year 1954 will decline about 5% below the level of 1953. Substantially, the only important exception to these forecasts is taken by the Australian economist, Colin Clark, who believes that the United States is headed for a serious business depression, with unemployment reaching as high as six million before the end of this year. But thus far he seems to be entirely without support from the rest of the fraternity. I confess that this substantial unanimity of opinion disturbs me a little.

Prof. M. P. McNair

Speaking to the National Retail Dry Goods Association at this time last year, I offered the prediction that the general volume of business activity would be well sustained throughout most of 1953 but observed that we were gradually accumulating the ingredients of a business turndown, and that although the turn might be in evidence before the end of 1953 the major test would come in 1954. I also offered the comment that 1953 was probably going to be another lean year for department store profits. There has been no occasion during the calendar year just past to change this general appraisal. Specifically, department store sales for the fiscal year 1953 will apparently be ahead of 1952 by only about 2%. Gross margin will have shown some improvement; but the expense rate also will have advanced, and 1953 earnings before taxes in all probability will show little if any betterment over 1952. (Obviously I should stop at this point, while my credit is still good, instead of venturing to take the pitcher to the well once more.)

End of a Superboom

Appraising the prospect for 1954, we cannot dispute the evidence that business generally has come to the end of the superboom, that is, the period of superactivity and superfull employment, which began with the Korean War in June, 1950. Significant pieces of evidence are the decline in the Federal Reserve index of production, the contraseasonal decrease in manufacturing employment during recent months (note the 400,000 increase in unemployment in December), the drop in freight car loadings, the increase in total business inventories, the falling-off in the backlog of new orders received by manufacturers, the substantially less-than-normal expansion of bank loans in the second half of the year, and the difficulties encountered by retailers during this fall season in meeting their monthly figures.

As I remarked earlier this evening, the present business situation is not so much the consequence of a cutback in military spending as it is the result of normal cyclical readjustments, which is simply another way of saying that the superboom has run its course, that the forces set in motion by the Korean War have largely spent themselves.

As a first step in appraising more specifically the 1954 outlook, it may be useful to comment briefly on the monetary and fiscal aspects of the situation. It is significant that the monetary and fiscal factors at the present time do not lend support to forecasts either of marked inflation or of serious deflation. The privately held money supply is increasing slightly, and it is evidently the policy of the Federal Reserve authorities to keep the money supply flexible, that is, to keep it roughly in accord with the volume of business transactions. Thus interest rates, which have currently slacked off from their high early last year, may be expected to fluctuate only within narrow limits and probably with more tendency towards ease than towards stiffness, at least until after the election this fall. The inference of course is that credit will

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*An address by Prof. McNair before the National Retail Dry Goods Association, New York City, Jan. 11, 1954.

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Articles and News Page

BUSINESS AND FINANCE SPEAKS AFTER THE TURN OF THE YEAR

Starting on the cover page of today's ANNUAL REVIEW AND OUTLOOK ISSUE we present the opinions of leaders in Government, Industry and Finance regarding the outlook for business in 1954.

* * *

In the SECOND SECTION of today's issue will be found our usual tabular record of the high and low prices, by months, of every stock and bond issue in which dealings occurred on the New York Stock Exchange during 1953.

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From Washington Ahead of the News

By CARLISLE BARGERON

Several years ago when the late Theodore W. Noyes was the editor of the Washington "Star," that highly successful and respectable newspaper seldom came off the presses without an editorial or perhaps two or three columns in the news section demanding suffrage for the District of Columbia. As must be pretty generally known by now the residents of Washington cannot vote and there are relatively few of them who care. The "Star" wasn't much interested in local self-government. It was national representation the "Star" wanted, two Senators and a Congressman. The generally accepted belief in Washington was that Mr. Noyes wanted to be the first Senator.

Carlisle Bargeron

It is a fact that since the distinguished and scholarly Mr. Noyes died the "Star" hasn't been so persistent on the subject.

Mr. Noyes being Senator was the only justification for suffrage for the District that I ever heard.

By the same token the only justification I know for admitting Hawaii to statehood is that the popular and capable Joe Farrington, Delegate from the islands for several years, would likely be the first Senator. I venture that if you ask most any member of the House why he voted for Hawaiian statehood he will tell you Joe Farrington and his charming wife, Betty. And I do not, for a moment, deny the cogency of this reasoning.

But the fact is that after all of this playing around and jolly talk about Hawaiian statehood the Senators are now smack up against the question, and like the man going off to get drunk, gosh how they hate it.

Both political parties have been mighty frivolous on the subject, the leaders apparently thinking the question would never come to a show-down. However, a show-down it is coming to now—in the Senate—and it is something that requires far more attention than the general public has given to it, and there should be far more enlightenment than the general public has received on it. Very likely it will be taken up by the Senate after the Bricker amendment, which is supposed to come after the St. Lawrence Waterway bill is disposed of.

The general public has been led to believe that it is a fight between the two political parties to get two additional Senators. The Republicans would presumably get two from Hawaii and the Democrats are insisting that Alaska also be granted statehood so they would get two. On Tuesday, in fact, the Democrats were successful in tying Alaskan statehood onto Hawaiian statehood.

But only the more reckless politicians of either party are figuring it on this selfish basis. There is reason to believe that now that the question is coming to a vote the majority of Senators of both parties are worried and wish they had not permitted the matter to come this far.

Former Governor Stainback of the Islands, now a member of the Territorial Supreme Court, a long time advocate of statehood, was in Washington recently with a solemn warning that in the light of present circumstances, statehood should not be granted.

It was his argument that in recent years a new power has come into virtual control of the islands. Formerly the power was held by the sugar and pineapple interests together with the transportation interests. There is ground for the story spread by the opposition that their main concern was the enhancement of their social and political prestige, not any economic benefits that statehood might give the islands.

Anyway, Harry Bridges' Communist dominated longshoremen's union has now come into power and this was what Stainback warned against. Under the present territorial status Hawaii's officials are appointed and thus the Communist influence can be contained. But under statehood the Communist dominated Bridges' union would likely control the elections for Governor, for Senator, for Congress and the like. Elective officials would undoubtedly be more responsive to the pressures of this crowd than appointive officials.

Certainly the proposal is one which should receive more consideration on its merits and not be decided on the question of one or the other political parties getting an advantage.

Washington . . . And You

Behind-the-Scene Interpretations from the Nation's Capital

WASHINGTON, D. C.—Some of the late Senator Robert A. Taft's ideas about coping with the Reds are beginning slowly and tentatively to show up in the strategy of the Eisenhower Administration.

One of the late Senator's ideas was to establish a relatively small but mobile striking force of a million or so men. This force could be moved readily at will to virtually any point in the world, or to any point accessible by sea.

Virtue of this strategy, as the late Senator saw it, was that the Reds, never knowing where that force might be employed, would have to garrison sufficient troops and store supplies for troops necessary to counter a U. S. threat at any one of several possible points where such a striking force might be sent.

This would thus tie up several times as many enemy troops as the United States might be able to bring to bear at any given point and drain the Red military and civilian economy to keep those garrisons constantly supplied and on the alert.

That the Eisenhower Administration is thinking about such a strategy is hinted as the reason for withdrawal of two divisions from Korea to establish a reserve striking force, with the indication that later other divisions will be withdrawn.

Senator Taft felt that such a strategy was taking advantage of the natural position of the United States as the major sea power and also advantage of the Russian inherent weakness as the major land power.

Another of the late Senator's ideas was the emphasis upon air striking power. While the Eisenhower Administration emphasis upon air power buildup is perhaps not as great at present as the Senator advocated, the movement is in that

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The State of Trade and Industry

Steel Production
Electric Output
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Food Price Index
Auto Production
Business Failures

Further recovery was noted in the period ended on Wednesday of last week in total industrial production as many industries continued to improve from the usual year-end slowdown. But, notwithstanding this favorable showing, total output was moderately under the high point of the similar period in 1953.

With respect to the nation's workers, figures show that claims for unemployment insurance benefits in the week ended Jan. 2, rose 20% and were about 60% above the year-ago level.

First quarter steel business has been disappointing. Even the optimists admit that the upturn in buying so far hasn't been so sharp as many in the industry expected, states "The Iron Age," national metalworking weekly. But business is still at a good level and new orders have been coming in a little faster. Some of the items that were first to weaken last summer now look slightly stronger.

The next few weeks should tell the story, declares this trade weekly. Orders being placed now are mostly for delivery in late February or early March. The month of March is usually about the best if not the best in the first half of the year. Indications so far point to a satisfactory but not a big March. It will take a spurt of orders within the next few weeks to raise operations during March much over 80% of rated capacity, it notes.

Among the disappointments so far have been railroad and auto industry buying. Big things were expected of both, but after a fast start railroad buying slowed to a snail's pace. Railroad purchasing agents are now very cautious, and there is no inclination to make heavy commitments, reports this trade journal.

Among the auto companies only the two biggest producers have been placing orders anything like steel people had expected. Most of the other firms have been setting a moderate production pace and living largely off of inventories. The result is that auto buying has been much slower than steel people had been led to expect, it continues.

On the brighter side of the picture, demand for stainless steel is showing marked improvement. Tool steel has also taken a turn for the better. Most grades of electrical sheets are going well, too. Oil country goods and structurals, of course, remain the hottest tonnage items in the market. Demand for cold-rolled sheets is good, but the competition is all among the sellers, "The Iron Age" adds.

Probably because he has more optimism on business prospects and is finally bringing inventories under control, the smaller consumer is becoming a more vigorous factor in the market. Although the auto sales picture still must clarify, auto output is running above '53 rates. But from time to time, Chrysler and independents have held up steel shipments, this trade magazine points out.

Almost every Detroit steelmaker reports first quarter books pretty well filled. Second quarter interest and inquiries seems to assure a good first half. Yet, no steel product can now be called even reasonably tight.

From the Midwest come encouraging reports that merchant product demand has been rising—but first quarter bookings may run 25% under last year. Total mill bookings continue to move slowly and across the product front, there is slackness, this trade authority reports.

In the automotive industry the past week output of motor vehicles in the United States consisted of 114,882 cars and 24,789 trucks, "Ward's Automotive Reports," stated.

The agency compared this with a revised figure of 118,825 cars and 25,226 trucks built in the preceding week. In the comparable 1953 week 110,885 cars and 27,893 trucks were assembled.

"Ward's" said its surveys indicate that domestic dealers began 1954 with new cars inventories only 6% below the peak established last Oct. 31, and 70% higher than in the same time in 1953.

While no unit figures were given, the agency stated stocks at the beginning of 1954 amounted to a 43 days' supply, whereas a 30 days' supply is considered normal.

December marked the fifteenth successive month in which building permit values exceeded the year-ago level, Dun & Bradstreet, Inc., reports. The total for the month for 215 cities increased 13.0% to $372,858,042, from $329,947,867 in December, 1952. They were, however, 0.7% below the November figure of $375,582,397.

Building plans filed in New York City during December were

Continued on page 16

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Observations . . .

By A. WILFRED MAY

"The Financial Outlook For — Favorable and Unfavorable Possibilities for the New Year Balanced, at the End of a Twelve-Month With Conflicting Indicators."

Under this head, it was the annual custom of Alexander Dana Noyes, known as "the dean of American financial journalists" and Financial Editor of the New York "Times" during a quarter-century until his death in 1945 to confine his year-end "forecast" to the mere recital of an equal number of the more important "bullish" and "bearish" elements; leaving it strictly to the reader to take his pick of what might be controlling.

A. Wilfred May

In admiration of Mr. Noyes' unique objectivity, intellectual integrity, and self-discipline—and consistent with our ingrained skepticism about the possibilities of forecasting the market-as-a-whole — this column's contribution to this *Annual Review and Outlook* issue will be devoted to emulating his approach for consideration by the 1954 investor in common stocks. Thus, in lieu of the customary prediction in the form of an eclectic brief in support of the author's conclusion, we submit the ten most relevant factors likely to exert *upward* pressure on the general market; followed by ten important counteracting elements apt to influence prices *downward.*

The Favorable (that is, bullish) Factors

(1) The good values available in today's market. The dividend yield on Standard & Poor's 90-Stock Index is now 5.8% (versus 3.6% in 1946); and the price-earnings ratio 9.3% (versus 23.2% in 1946). Many decent, though not Blue-Chip, issues yield up to 9%. Underlying value is likewise manifested in the number of issues still "worth more dead than alive"; that is, priced under their net-quick-liquid ting-value.

(2) The improved political climate for the investor; reflected, along with general surcease from capitalist-punishing taxation, in the pending program for mitigating "double taxation of dividends," and to some extent, in the termination (although six months behind schedule) of the Excess Profits Tax.

(3) Negligible speculation in securities, commodities, and real estate; with or without credit expansion.

(4) The satisfactory level of current profits—a big cushion for the impact of any declines. Although falling somewhat from quarter to quarter, earnings are more than 10% higher than in the year previous. A further cushion, in translating decreased gross income to net, is provided by the continuing high corporate tax rate, as well as the termination of the Excess Profits tax. Accelerated amortization will bolster long-term earnings.

(5) Plentifulness of credit and further prospective decreases in interest rates; the latter automatically exerting upward pressure on security prices.

(6) A permanently sustained high level of personal income. Enormous liquid assets buttressing the financial strength, and buying-power, of individuals.

(7) A seemingly "hard core" of large-scale Defense spending.

(8) The Republican Administration's subscription to Fair Dealism and Welfare-Statism, revealed in the President's annual messages The assurance of continued government largesse, as the President's proposals for more generous subsidies to housing; greatly broadened social security; health aid.

(9) Continuation of an unbalanced Federal budget, with a further rise in the debt limit above the present $275 billion only a matter of time.

(10) The certainty of anti-recession pump-priming and other antidotes, if necessary; with the inflationary effects intensified over the long-term as it may be found necessary to increase the earlier doses.

* * *

Un-Favorable (that is, bearish) Factors

(1) The historically and actually high prices of the institution and trustee occupied are of the market; where many issues are higher even than 1929, and yields are under 4%.

(2) The inroad of the very high, if not confiscatory, rates of taxation on *personal* income, which even with prospective reductions, emasculate the investor's take-home pay.

(3) The Eisenhower's Administration self-imposed exile from the promised land of the free market.

(4) Uncertainty about genuine effective tax relief. Stemming from the President's insistence that reduction in the tax burden must *follow* equivalent reduction in government spending, is his firm opposition to the reduction in the corporation tax and in the excise taxes scheduled for April 1, next.

(5) The present unfavorable aspects of industrial activity, reflected in a steady month-to-month decline since last July in the Federal Reserve Board's Index of Industrial production. A general excess of shipments over new orders, accentuated by the government's intensified efforts to curtail military spending. The outlook for increasing competition and generally lower profits. Gradually rising unemployment, an increase of 400,000 in December bringing the total up to 1,850,000.

(6) The sharp reduction in farm income; with the President's indicated intention to pursue a somewhat less inflationary ("flexible") farm policy.

(7) The likelihood that the almost universally anticipated Recession, based on reduction in the unusually high capital expenditures and defense activity deflation, will eventuate—with the further possibility that it will not stop at a "5% slide."

(8) The steep rise in private debt.

(9) The prospective decline in exports as foreign aid is curtailed.

(10) The very real possibility that the Administration's anti-Recession - Depression measures, though so intensively advertised, will, after all, turn out to be "too-little and too-late."

* * *

Concerning Conclusions and Performance

Mr. Noyes at the 1927-'28 turn-of-the-year offered the following concluding postscript to his recital of the conflicting factors:—"In one way or another, all of these arguments will be closely re-examined as the events of 1928 unfold. Perhaps the strongest of all influences in shaping judgment, on one side or the other, are two considerations of a much more general character than any embodied in the events of 1927. One is the conviction sustained by all experience, that the natural course of American financial and industrial activity, is forward; the other, equally sustained by experience, that this expansion, cannot proceed without interruption more or less prolonged. Since trade reaction in the last six months appears to be undeniable, the real question for 1928 may be the data and circumstances in which the reactionary movement will be found to have run its course."

Thereafter, in the first nine months of 1929 stocks rose by another 28% to the peak of the wildest speculation of all time, with industrial production gaining a meagre 6%; both stock market and business then sinking into complete collapse — a course of events unforecast and unforecastable!

What pattern now ahead for business and the securities market? Will one area have any effect on the other, or instead perhaps, will each be influenced or governed by its own psychological influences?

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The January issue of our timely survey assesses business prospects for the new year, together with a selected list of securities with attractive investment possibilities for 1954. Each month our Research Department discusses in this publication topics of special interest to serious-minded investors.

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President Wants Wider Coverage, Higher Social Security Benefits

In special message to Congress, President Eisenhower recommends enlarging scope of present Social Security system to include ten million more workers; to raise benefit payments and to permit pensioners to earn more in part-time work. Would raise from $3,600 to $4,200, maximum annual amount on which employer and employee contributions are assessed.

President Dwight D. Eisenhower, on Jan. 14, sent to Congress a special message in which he recommended a number of amendments relating to the Federal Old Age and Survivors Insurance System and the Federal grant-in-aid programs for public assistance.

The text of the message follows:

I submit herewith for the consideration of the Congress a number of recommendations relating to the Old Age and Survivors Insurance System and the Federal grant-in-aid programs for public assistance.

Pres. Eisenhower

The human problems of individual citizens are a proper and important concern of our government. One such problem that faces every indivdual is the provision of economic security for his old age and economic security for his family in the event of his death. To help individuals provide for that security—to reduce both the fear and the incidence of destitution to the minimum—to promote the confidence of every individual in the future—these are proper aims of all levels of government, including the Federal Government.

Private and group savings, insurance, and pension plans, fostered by a healthy, fully functioning economy, are a primary means of protection against the economic hazards of old age and death. These private savings and plans must be encouraged, and their value preserved, by sound tax and fiscal policies of the government.

But in addition, a basic, nationwide protection against these hazards can be provided through a government social insurance system. Building on this base, each individual has a better chance to achieve for himself the assurance of continued income after his earning days are over and for his family after his death. In response to the need for protection arising from the complexities of our modern society, the Old Age and Survivors Insurance System was developed. Under it nearly 70 million persons and their families are now covered, and some 6 million are already its beneficiaries. Despite shortcomings which can be corrected, this system is basically sound. It should remain, as it has been, the cornerstone of the government's programs to promote the economic security of the individual.

Under Old Age and Survivors Insurance (OASI), the worker during his productive years and his employer both contribute to the system in proportion to the worker's earnings. A self-employed person also contributes a percentage of his earnings. In return, when these breadwinners retire after reaching the age of 65, or if they die, they or their families become entitled to income related in amount to their previous earnings. The system is not intended as a substitute for private savings, pension plans and insurance protection. It is, rather, intended as the foundation upon which these other forms of protection can be soundly built. Thus the individual's own work, his planning, and his thrift will bring him a higher standard of living upon his retirement, or his family a higher standard of living in the event of his death, than would otherwise be the case. Hence the system both encourages thrift and self-reliance, and helps to prevent destitution in our national life.

In offering, as I here do, certain measures for the expansion and improvement of this system, I am determined to preserve its basic principles. The two most important are: (1) it is a contributory system, with both the worker and his employer making payments during the years of active work; (2) the benefits received are related in part to the individual's earnings. To these sound principles our system owes much of its wide national acceptance.

During the past year we have subjected the Federal social security system to an intensive study which has revealed certain limitations and inequities in the law as it now stands. These should be corrected.

(1) **OASI Coverage Should Be Broadened:** My message to the Congress on Aug. 1, 1953, recommended legislation to bring more persons under the protection of the OASI system. The new groups that I recommended be covered—about 10 million additional people—include self-employed farmers; many more farm workers and domestic workers; doctors, dentists, lawyers, architects, accountants, and other self-employed professional people; members of State and local retirement systems on a voluntary group basis; clergymen on a voluntary group basis; and several smaller groups. I urge the Congress to approve this extension of coverage.

Further broadening of the coverage is being considered by the Committee on Retirement Policy for Federal Personnel, created by the Congress. This Committee will soon report on a plan for expanding OASI to Federal employees not now protected, without impairing the independence of present Federal retirement plans. After the Committee has made its report, I shall make appropriate recommendations on that subject to the Congress.

Extension of coverage will be a highly important advance in our OASI system, but other improvements are also needed. People over 65 years of age who can work should be encouraged to do so and should be permitted to take occasional or part-time jobs without losing their benefits. The level of benefits should be increased. Certain defects in and injustices under the present law should be eliminated. I submit the following

Continued on page 45

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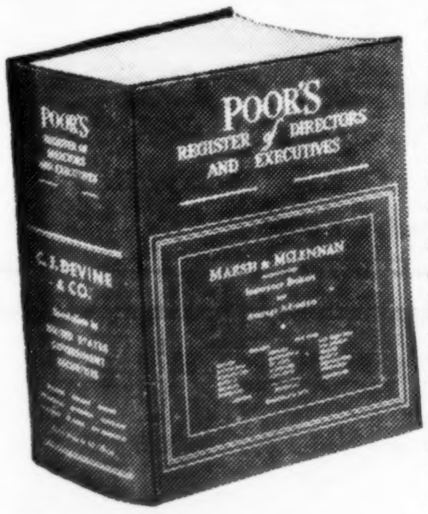

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Defense Expenditure and The Problem of Deflation

By DR. GEORGE H. HILDEBRAND*

Associate Professor of Economics, University of California

Formerly Principal Economist, War Labor Board

Tracing the "injections" of Defense spending into the economy since 1950, Dr. Hildebrand foresees static money supply resulting from such expenditure cuts. Declares continuation of boom through 1954 would require: (1) an increase of one million jobs over 1953; (2) maintenance of weekly hours unchanged, and (3) increase of per-man output of 2½% over 1953; resulting in 4% rise in Gross National Product. Concludes strong "built-in" forces are available to check a recession; stressing creation of incentives for private spending.

Lord Melbourne once said of Thomas Babington Macaulay that he wished he "could be as cocksure of any one thing as Macaulay is of everything." Melbourne's state of mind is also mine when I attempt to gauge the impacts of changing defense expenditure upon the economy in 1954. I shall therefore limit myself to setting out what I think are the main possibilities, an approach guided by certain principles and objectives which I have chosen regardless of their political value.

G. H. Hildebrand

We are now in the midst of an important, as yet little-noticed experiment in the management of our economic affairs. Its essence is an attempt to maintain an expanding economy of private enterprise despite a gradual withdrawal of large-scale supporting Federal expenditures. The principal means for the experiment are substantial tax reductions coupled to easy money, applied to a system now free of several former direct controls. The hope clearly is that spontaneous increases in spending for private investment and consumption by state and local government will keep the present boom going. Some precedents may be found in the current Canadian, German, and British prosperities.

What is novel about the experiment is the attempt to promote this special kind of a boom by the use of the new fiscal and monetary knowledge acquired in the past 20 years. Up to now, this knowledge has been employed either in a context of deep depression or of war inflation and its aftermath. In the more remote past, prosperities were founded mainly upon private spending and were accompanied at their termini by perverse contractions of money supply and by strivings for annual balance in low-level Federal budgets. Today we know what damage these policies can do.

Experiments in human affairs are never definitive. Yet the outcome of this particular experiment ought to indicate in some measure whether there is sufficient driving power in the private economy to permit its growth to be stabilized within tolerable limits, by consciously applied fiscal and monetary methods.

That 1953 was a boom year requires little elaboration. As of the third quarter, gross national product was running at an annual rate of $369 billion, 6% over 1952 at almost constant prices and with unemployment at the very low rate of 2.5% of the civilian labor force. Gross private domestic investment reached an annual rate of $56.5 billion in the third quarter.

Up to now the boom is over three years old. It has been powerfully stimulated by a rapid rise in Federal expenditures on national security (defense, foreign aid, and atomic energy). In calendar 1950 these totalled $18.5 billion. As of the third quarter of 1953, their annual rate was $52.1 billion. Thus the average annual rate of increase in security spending after 1950 has been $11.2 billion in current prices. The injections have been large, reaching 14% of gross product this year, which is very close to the 15% "savings offset" afforded by private investment. Moreover, cash deficits occurred in 1952 and 1953, and in their financing they added to outstanding money supply.

Beginning in fiscal 1953-1954, a long-term effort has been undertaken to balance the Federal budget, principally by cutting security spending. This means that within the compass of a single year a shift is occurring from a sharply increasing rate of Federal purchases of goods and services (of which security is 90%) to one of as yet moderate decline. The scale of this cut is difficult to calculate in calendar year equivalents, all the more so because of the unknown rate at which past budget authorizations are to mature and because of unsettled fiscal plans for 1954-55.

According to the *Review of the Budget in 1954*, security spending in fiscal 1953-54 is expected to fall about $1.5 billion. Given the unknowns, I suggest that we ought to expect an overall cut of Federal purchases of at least $2-3 billion in calendar 1954. Moreover, if current plans are realized, the cash deficit in 1953-54 would fall to $0.5 billion, as against $5.3 billion in 1952-53. On this basis, fiscal operations would about cease to contribute to money supply.

We have, then, two basic facts. Federal purchases are now slowly decreasing instead of sharply increasing, and the Administration is determined to try to maintain the present boom. What are the requirements for success and how good are the possibilities?

To keep the present boom going in 1954 would require, first, that we increase employment by about one million persons over the 1953 average (this figure is only an approximation, given the recent erratic behavior of the labor force); second, that average weekly hours remain about as present; and, third, that output per man rise about 2.5% over 1953. On present estimates, an average of about 62 million persons produced $369 billion of gross product in 1953, or $5,952 per man. If productivity rises 2.5%, then 63 million persons should produce about $6,100 per man, to turn out a gross product of about $384 billion at 1953 prices. Relative to 1953, product should rise about $15 billion, or 4% in real terms.

Continued on page 55

*A paper by Professor Hildebrand presented before the annual meeting of the American Economic Association, Washington, D. C., Dec. 30, 1953.

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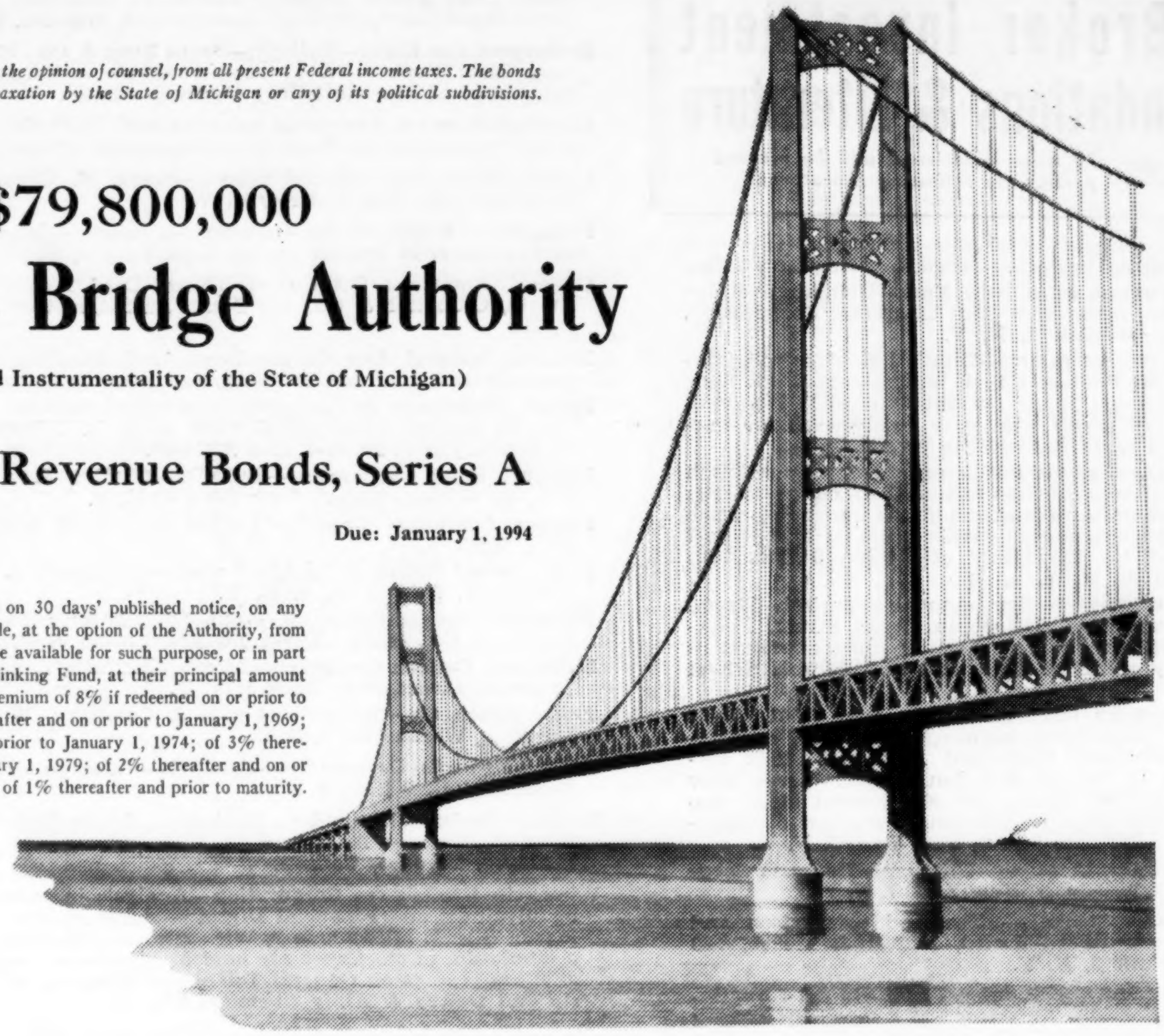

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Attractive Issues—Tabulation of 36 high-yield issues—Crowell, Weedon & Co., 650 South Spring Street, Los Angeles 14, Cal.

Banks and Trust Companies of New York—Comparative figures as of Dec. 31, 1953—New York Hanseatic Corporation, 120 Broadway, New York 5, N. Y.

Candidates for Dollar Averaging—Tabulation of selected issues—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also available in the current issue of "Gleanings" are lists of selected issues with only common shares outstanding, and also of high yield preferreds.

Cycles—Monthly reports giving results of latest cyclic research in stocks, prices, business—$10—also included are reprints of six chapters and postscripts issued plus a Chart Projection to 1990 of various stock market cycles made in 1954 (Chart C-21)—Foundation for the Study of Cycles, 9 East 77th Street, New York 21, N. Y.

Equipment Trust Certificates—Semi-annual appraisal—Stroud & Company, Incorporated, 123 South Broad Street, Philadelphia 2, Pa. Also available is a semi-annual appraisal as of Dec. 31 of **City of Philadelphia and Philadelphia School District Bonds.**

Graphic Stocks—January issue containing over 1,001 charts showing monthly high, lows, earnings, dividends, capitalizations, volume on New York and American Stock Exchanges, covering 12 full years to Jan. 1, 1954—single copy $10; yearly (six revised issues) $50.00—(special offer: two books 1924-1935 and current 1954 issue, both for $20.00)—F. W. Stephens, 15 William Street, New York 5, N. Y.

Investment Opportunities in Japan—Circular—Yamaichi Securities Co., Ltd., 111 Broadway, New York 7, N. Y.

New York City Bank Stocks — Year-end comparison and analysis of 17 bank stocks—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Outlook for Business and Stock Prices—21st annual survey—Available to subscribers to "Business and Investment Timing Service"—Two months trial $7; three month trial, $10; annual subscription, $60—Anthony Gaubis & Company, 37 Wall Street, New York 5, N. Y.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 13-year period—National Quotation Bureau, Inc., 46 Front Street, New York 4, New York.

Poor's 1954 Register of Directors and Executives — Contains corporate listings of nationally known companies, titles and duties of all leading officers and directors, technical personnell, traffic managers, sales managers, purchasing agents, etc.; includes histories of 80,000 executives; breakdown of 203 classifications of industry, with a products index of over 2,500 commodity and service items—For examination copy write Dept. A752127, Standard & Poor's Corporation, 345 Hudson Street, New York 14, N. Y.

Popular Blue Chips—Over-the-Counter—"Highlights No. 25" —Troster, Singer & Co., 74 Trinity Place, New York 6, N. Y.

Products and Processes—Illustrated booklet on use of Alloys, Carbons, Chemicals, Gases and Plastics made by Union Carbide—Ask for booklet G—Union Carbide and Carbon Corporation, 30 East 42nd Street, New York 17, N. Y.

Public Housing in New York City—Brochure—New York Chamber of Commerce, 65 Liberty Street, New York 5, N. Y.

Resources of Canada: New Brunswick area—Booklet—Savard & Hart, 230 Notre Dame Street, West, Montreal, Canada.

Securities Outlook for the Investor and Business Executive—Brochure (ask for copy C)—G. H. Walker & Co., 1 Wall Street, New York 5, N. Y.

Taxability of Dividends Paid in 1953 by various investment funds—Taussig, Day & Company, Inc., 509 Olive Street, St. Louis 1, Mo.

Tokyo Market in 1953—Brief analysis in current issue of "Weekly Stock Bulletin"—Nikko Securities Co., Ltd., 4, 1-chome, Marunouchi, Chiyoda-ku, Tokyo, Japan. Also available is a tabulation of **Pre-Tax Earnings of the Top 100 Companies.**

Your Future Is in Nassau County—Booklet describing plant sites—Long Island Lighting Company, Industrial Development Department, 250 Old Country Road, Mineola, L. I., N. Y.

Bridgeport Gas Light—Bulletin—Sutro Bros. & Co., 120 Broadway, New York 5, N. Y. Also available is a comparative tabulation of **Electric Utility Common Stocks.**

Campbell-Taggart Associated Bakeries, Inc.—Bulletin—Sanders & Newsom, Republic Bank Building, Dallas 1, Texas.

Claude Neon, Inc.—Special report—Frank M. Cryan & Co., 52 Broadway, New York 4, N. Y.

Farrington Manufacturing Company—Analysis—John C. Legg & Company, 76 Beaver Street, New York 5, N. Y.

General American Oil Co. of Texas—Card Memorandum—Doyle, O'Connor & Co., 135 South La Salle Street, Chicago 3, Ill.

Houston Natural Gas Corporation—Analysis—Russ & Company, Alamo National Building, San Antonio 5, Tex.

Kaiser Aluminum & Chemical Corp.—Bulletin—H. Hentz & Co., 60 Beaver Street, New York 4, N. Y. Also available is an analysis of **Delta-C & S Airlines.**

Newport Steel Corporation—Bulletin—Gartley & Associates, Inc., 68 William Street, New York 5, N. Y.

Pittston Company—Report—Stieglitz & Co., 40 Wall Street, New York 5, N. Y.

Puget Sound Power & Light—Review—Ira Haupt & Co., 111 Broadway, New York 6, N. Y.

Riverside Cement Company—Analysis—ask for report T-31—Lerner & Co., 10 Post Office Square, Boston 9, Mass.

Stromberg Carlson Company—Report—Eastman, Dillon & Co., 15 Broad Street, New York 5, N. Y.

Tejon Ranch Co.—Analysis—Ferris & Company, Washington Building, Washington 5, D. C.

Todd Shipyards Corporation—Analysis—Talmage & Co., 111 Broadway, New York 6, N. Y.

Westeel Products Limited — Review — James Richardson & Sons, 173 Portage Avenue, East, Winnipeg, and Royal Bank Building, Toronto, Canada.

Wisconsin Bankshares Corporation—Analysis in current issue of "Business and Financial Digest"—Loewi & Co., 225 East Mason Street, Milwaukee 2, Wis. Also in the same issue is a tabulation of stocks widely held in Wisconsin. Also available are reports on **General Telephone Company of Wisconsin** and **Dewey & Almy Chemical Co.**

NSTA Notes

SECURITY TRADERS ASSOCIATION OF NEW YORK

The Security Traders Association of New York will hold its 18th annual dinner at the Waldorf-Astoria, Friday evening May 7. Daniel D. McCarthy, Union Securities Corporation, is Chairman of the committee on arrangements.

Dinner reservations should be made with Sidney Jacobs, Sidney Jacobs & Co., and hotel reservations may be made through Soren Nielson, New York Hanseatic Corporation.

Vocal members of the Security Traders Association of New York are arranging to form a Glee Club, which will meet every Tuesday from 5:30 to 6:30 p.m. at Schwartz's Restaurant. Sal Rappa, F. S. Moseley & Co., is directing the Club.

BOSTON SECURITY TRADERS ASSOCIATION

The Boston Securities Traders Association will hold their 30th annual Winter Dinner at the Sheraton Plaza Hotel on Thursday, Feb. 11 at 6 p.m.

John A. McCue of May & Gannon, Inc., is Chairman of the committee which includes: John L. Daley, J. B. Maguire & Co., Inc.; Fred V. McVey, Childs, Jeffries & Thorndike, Inc.; Thomas J. Montague, Minot, Kendall & Co., Inc.; Daniel L. Quinn, Schirmer, Atherton & Co.; Joseph F. Robbins, F. S. Moseley & Co.; Alfred A. Wagner, Coffin & Burr, Inc.

Burton F. Whitcomb of Harriman, Ripley & Co., Inc. is in charge of ticket reservations, and Edward W. Lawrence of Hemphill, Noyes & Co. is in charge of room reservations.

James B. McFarland of Hecker & Co., is handling out of town reservations for Philadelphia; Edward Jorgensen of Hemphill, Noyes & Co., reservations for New York, and Nicolas E. Fon Eisen of Fahnestock & Co., reservations for Hartford and New Haven.

Carrol Hoffman Forms Own Firm in Boston

BOSTON, Mass. — Carrol J. Hoffman, former partner, in Draper, Sears & Co., where he was active in the field of investment research and sales management, has formed the investment firm of Carrol Hoffman & Co., at 89 State St. The new firm will specialize in mutual fund planned investment programs.

Carrol J. Hoffman

A graduate of Harvard University, Class of 1926, and of Harward Business School in 1928, Mr. Hoffman began his business career following graduation with the firm of Ellis & Lane, investment bankers, as a securities analyst. In 1937 he became a partner in Draper, Williams & Co. which merged with Bright, Sears & Co., in 1941 to form Draper, Sears & Co. He has been chairman of the board of Millers Falls Paper Co. since 1949 and is also a director of Parsons Paper Co. He is a member of the Boston Investment Club, the Advertising Club of Boston and Sales Managers Club, Boston.

Paine, Webber Appoints A. P. Everts, Jr.

BOSTON, Mass. — Albert P. Everts, Jr., has been appointed Sales Manager in the Boston office of Paine, Webber, Jackson & Curtis, 24 Federal Street, members of leading national Stock Exchanges, it was announced by Morris F. LaCroix.

Albert P. Everts, Jr.

Mr. Everts has been a registered representative in the local Paine, Webber, Jackson & Curtis office since his discharge from the Navy in 1946 after service as an officer in the Pacific Theater.

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Adding Profits

By IRA U. COBLEIGH

Author of "Winning in Wall Street"

Toting up some of the elements contributing to the success of Burroughs Corporation, and to the merits of its common stock equity.

Addition is pretty important in our lives. Since Adam we've been adding to our population; with each generation we're added new discoveries and inventions; new laws and taxes are added with each legislative session; dimensions have been added to movies; chlorophyll added to tooth paste; and billions added to both our national income and national debt. Yet, with all of our brushes with addition through the years, a lot of us still have trouble totaling the grocery list or our check books.

Ira U. Cobleigh

Thus, with all this addition, and more complicated calculations going on about us, it is easy to perceive the importance, in our society, of Burroughs Corporation, which we outline today.

What with snow blanketing the Northeast all last week topical reference suggests that two years before the Blizzard of '88 (1886 to be exact) one William Seward Burroughs invented the adding machine. Almost at once there was formed in St. Louis, the Arithometer Company to manufacture this intricate machine which, in those days, made quite a racket as it added numbers. (No, Junior, there is *no* connection between that, and the numbers racket.) By 1905, the enterprise had relocated in Detroit and become the Burroughs Adding Machine Co., which name was quite recently streamlined to Burroughs Corporation. Adding machines were produced in volume and sold widely to business and financial institutions. A broad sales organization was developed and, with the passage of time, companion items were added—bookkeeping and billing machines, calculators, special machines for handling bank passbook entries, combination cash register and adding machines. Then, during World War II the company entered electronics in a big way, producing equipment for the Armed Forces. Such vital military adjuncts as shipboard and anti-aircraft fire controls, airplane navigational instruments, artillery location computers were part of war products. These all paved the way for Burroughs' brand new (1953) electronic instrument division at Paoli, Pa. Extensive research is planned not only in recording, computation and transmission of business data electronically. Research, as everyone knows, is a must for growing companies nowadays, and Burroughs appears well equipped in this department with the new facilities in the Philadelphia district added to the splendid engineering laboratories at the main office in Detroit.

Record High Sales Forecast

Another guide to Burroughs progress is a look at the sales chart. Ten years ago results (1934) showed sales of $24,588,000. By 1950 they had passed the $100 million marker, hit $151 million last year; and should rack up an all time high of $160 million for 1954. A sales gain of 60% in five years is a pretty good tribute to managerial excellence. About $40 million of this year's business is for government account.

To achieve such extensive manufacture and distribution of product, Burroughs has plants at Detroit and Plymouth, Michigan, Park Ridge, N. J., and Brooklyn, N. Y. There are foreign plants in Canada, Brazil, Scotland, England and France (15 plants altogether). Sales are generated from 140 sales branches of the company itself, 2,350 independent retail dealers in the U. S. and Canada and about 85 foreign branches throughout the world. Foreign sales now represent almost 25% of the total, and have enjoyed a rapid postwar expansion.

The profitability of Burroughs has not quite kept pace with its impressive sales growth. This is probably for two reasons. First the section of the business done for government account is not done at a wide profit spread; and, secondly, the cost of recent research and product development, while a powerful progenitor of future earnings, has clearly reduced the current per share figures. Altogether there are 4,997,390 shares of BGH listed on the NYSE (preceded by $31.6 million of long-term debt). The per share for 1952 was $1.58. Perhaps $1.70 will have been achieved for 1953; and it does not require reckless optimism to project 1954 results around the $2 level. This would allow quite adequate coverage of the $1 in dividends declared for 1953.

Consecutive Dividends Since 1895

Speaking of dividends, Burroughs has paid one every year since 1895 which puts it in a quite elite group of American corporations. Not only that, but it has, I believe, operated at a profit in each year in this century. (A number of companies which have kept their dividend goal line uncrossed, have actually had one or more years of operating in the red.)

There does not seem any occasion or need for further financing for the company in the immediate future. Net working capital (1952 year-end) was $62 million, and the company has virtually completed a postwar plant expansion program involving roughly $17 million.

It should not be concluded that Burroughs has the field of adding, computing and bookkeeping type machines all to itself. There's International Business Machines in the broad field while more specific competitors might include National Cash Register (roughly 50% larger in sales), Monroe, next in line, Clary and Felt and Tarrant—all pretty energetic outfits.

Diversified Products

Perhaps, in review, the most important observation to be made about Burroughs today is to note the widening diversity of product and the broad participation BGH should have in electronics in general and the field of automatic and labor saving office devices in particular. We're heading toward completely automatic factory operation in many processes and we're doing more and more office work in the same way. Burroughs has since 1952 had an automatic device for selling railway tickets, and now produces microfilm systems among its standard items.

The Burroughs President, John S. Coleman, is a distinguished industrial leader who in his 34 years with the company has come all the way up the line from cub salesman. His business and executive talents have also led him as well to other stations of leadership. He is Chairman of the Federal Reserve Bank of Chicago and a director of Michigan Bell Telephone Company, American Optical Company and Freuhauf Trailer Co.

The inexorable increase in the price of labor (office as well as factory) and the ever increasing volume of statistics, records and reports which have become the trappings of our advanced industrial society, suggest that companies like Burroughs constantly at work to speed up, and reduce costs, of figure and data handling, should enjoy an unremitting and probably steadily increasing demand for their wares. For that reason, it does not seem absurd to suggest that, from our brief little review today, we might conclude that BGH is verging upon a new horizon of growth in sales and profitability. Already a distinguished and durable member of our corporate leaders, its common stock current levels of 16½ to yield 6.25% does not seem without merit to sensible security buyers. It appears to be adding profits and that's one of the basic goals of our unrivalled system of private enterprise.

Business Man's Bookshelf

Businessman Must Save Himself, The — W. H. McComb — Harper & Brothers, 49 East 33rd Street, New York 16, N. Y. (cloth) $1.75

Citizens Budget Commission for the Year Ending Dec. 31, 1953—Citizens Budget Commission, 51 East 42nd Street, New York 17, N. Y. (paper).

Housing Market Analysis: A study of Theory and Methods—Chester Rapkin, Louis Winnick, and David M. Blank — Division of Housing Research, Housing and Home Finance Agency — Available from Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 50¢.

Outlook for Business and Stock Prices — 21st annual survey — available to subscribers to "Business and Investment Timing Service"—2 months trial $7; 3 months trial, $10; annual subscription, $60—Anthony Gaubis & Company, 37 Wall Street, New York 5, N. Y.

Poor's 1954 Register of Directors and Executives—Contains corporate listings of nationally know companies, titles and duties of all leading officers and directors, technical personnel, traffic managers, sales managers, purchasing agents, etc., includes histories of 80,000 executives, and a breakdown of 203 classifications of industry, with a products index of over 2,500 commodity and service items. For examination copy write Dept. A752-127, Standard & Poor's Corporation, 345 Hudson Street, New York 14, N. Y.

Public Housing in New York City—New York Chamber of Commerce, 65 Liberty Street, New York 5, N. Y. (paper)

Silver Market: 38th Annual Review (1953)—Handy & Harman, 82 Fulton Street, New York 38, N. Y. (paper).

Stranger at Our Gate, The: America's Immigration Policy—Hubert H. Humphrey, Jr. — Public Affairs Committee, 22 East 38th Street, New York 16, N. Y. (paper), 25¢.

Your Future Is in Nassau County—Booklet describing plant sites—Long Island Lighting Company, Industrial Development Department, 250 Old County Road, Mineola, L. I., N. Y.

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January 21, 1954

General Motors Optimistic

Harlow H. Curtice, President of General Motors, says company will spend $1 billion in next two years to meet the needs of an expanding market. Takes optimistic view of business outlook, and reveals, by fall of 1955, General Motors will have expended $3 billion for capital investment since end of the war. Optimistic views of Mr. Curtice supported by the Chairman of the Board of General Motors, who expressed confidence in future of auto industry.

In an optimistic address on the business outlook before a luncheon group of 500 business and industrial leaders at the Waldorf-Astoria Hotel, New York City, on Jan. 19, in connection with the opening of GM's Motorama of 1954, Harlow H. Curtice, President of General Motors, announced that the corporation will spend $1 billion in the next two years on a new expansion program to "meet the needs of an expanding market."

Mr. Curtice said the funds will be used mainly to provide additional capacity for GM's automotive divisions. Sixty percent of the new capital expenditure program will be accomplished during 1954, and the remainder by the fall of 1955, he added.

"This program is a measure of our faith in our country," Mr. Curtice said. "It will enable General Motors to continue to make its full contribution to a strong and expanding national economy."

GM's new capital investment program, Mr. Curtice explained, is "in addition" to expenditures of $2 billion by GM during the eight-year period from 1946 through 1953.

By the fall of 1955, he said, General Motors "will have expended $3 billion for capital investment since the end of World War II," in addition to annual expenditures for special tools during this period.

"This new expansion program," the GM President said, "is being undertaken at this time to assure General Motors adequate capacity to enable us to keep pace with the normal growth of the market as we appraise it for the future.

"It will help to provide a solid foundation for our position in the industry, create expanding job opportunities and further protect the investment of the owners in the business."

Mr. Curtice expressed confidence that 1954 would be another good year for business. He predicted a gross national product equal to this year's estimated record of $365 billion.

"No depression is in my vision," he said. "It is my belief that the national economy will be strong and healthy throughout the year."

Mr. Curtice forecast that General Motors' volume of sales "in physical and dollar terms in 1954 should not be far from the high level attained in 1953." Last year, he reported, GM's dollar sales exceeded $9 billion "by a substantial amount."

As for the automobile industry, the GM President estimated that the domestic market should absorb "in the area" of 6,300,000 passenger cars and trucks during 1954. Unit production, including Canada and for export to other markets, should approximate a total of 7 million cars and trucks, he said.

Mr. Curtice said the automobile industry's factory sales in the domestic market during 1953 totaled 7 million cars and trucks. Including Canada and units produced for export, industry sales amounted to about 7,800,000 units, second largest volume in history, he said.

GM's U. S. and Canadian plants produced almost 3,000,000 passenger cars and more than 500,000 trucks during 1953, according to Mr. Curtice. GM sold more automobiles in 1953 than in any other year except 1950, he said.

Mr. Curtice reported that GM's new and improved 1954 models required an outlay of approximately $350 million for special tools, dies, jigs and fixtures.

"We believe they represent outstanding progress and the greatest value ever offered by General Motors," he said.

In 1954 GM models, Mr. Curtice said, new engines with increased horsepower and improved automatic transmissions provide better performance, more economy and greater highway safety.

Mr. Curtice chided "those who see recurrent shadows of depression and recession" and urged these people to "have faith."

"If those who persist in taking a pessimistic view of the future succeed in planting fear in the minds of the public, those seeds of fear could take root and the result might be the very condition we seek to avoid," he declared.

"Public confidence is difficult to measure, and so its importance is not always understood. But, it is a key factor in maintaining a high level of economic activity."

He praised the Eisenhower Administration "for the many constructive steps it has already taken in the direction of restoring the foundations for a free economy."

"With the end of controls," Mr. Curtice added, "the initiative has now passed to private industry. Business leaders have the responsibility and must accept the challenge of building on these foundations an economy that will continue to be sound and dynamic.

"In General Motors we are accepting this challenge."

He asserted that "with a favorable economic climate, an enterprise system unhampered by controls, and a people willing to work for an improved standard of living, the responsibility rests with industry and business to keep the economy strong and, over the years, keep it expanding."

Mr. Curtice noted these as among the reasons for his belief that good business lies ahead in 1954:

(1) Continued high capital investment by industry.

(2) New housing starts, that "should exceed a million again this year," and a high rate of commercial building.

(3) Continuance of high defense expenditures.

(4) Little change in the overall high level of employment.

(5) Consumer spending maintained substantially "at present high levels as a result of well-sustained incomes and lower taxes."

For the automotive industry, Mr. Curtice predicted strong competition in 1954 but said "our industry, as well as American industry generally, has always thrived on competition."

"Competition in our industry in 1954 means hard work and more aggressive selling than in any year since 1951. We in General Motors not only welcome the return of competition but are prepared for it. Any automobile man worth his salt is finding the return to normal competitive conditions a thrilling challenge.

"I emphasize this because there have been so many opinions expressed by persons who are unfamiliar with the industry and its achievements. We have even been accused of weakening the economy through over-production. This is a misinterpretation of the facts. Over the years the automobile industry has contributed importantly to the national economy. It did so in 1953 and will continue to do so in 1954."

As for the long-range future of the country's economy, he said many factors will continue to work "to bring increased wealth to our nation and steadily raise our standard of living."

Following Mr. Curtice's address, Alfred P. Sloan, Chairman of the Board of General Motors, in his remarks, upheld Mr. Curtice's views, saying "it is not unduly optimistic," adding: "I probably won't live to see it, but somebody some time is going to stand before you not many years hence and tell you that General Motors has found its capacity too small; probably the expansion at that time will be in terms involving two billion rather than the billion Mr. Curtice mentioned or the billion and a half that I am talking about."

"General Motors accepts the challenge of 1954 just as it accepted the challenge of 1953. It adopts its program with perhaps two objectives in mind and these objectives might be styled something like this:

(1) **"Operation Opportunity"**—An opportunity that will look down the road to developing a more efficient and a bigger General Motors, not only in the interests of its people as workers and shareholders, but also in the service it renders to the public, to people here and overseas.

(2) **"Operation Responsibility"**—A responsibility of General Motors to support the constructive efforts of the Eisenhower Administration in its concept of what industry and business need to become more stabilized; to advance our concepts of production and distribution and add to the standard of living of the people, and, incidentally, to build a stronger and better foundation under the American concept of the present economy."

COMING EVENTS

In Investment Field

Jan. 22, 1954 (New York City)
New York Security Dealers Association 28th annual dinner at the Biltmore Hotel.

Jan. 22, 1954 (Philadelphia, Pa.)
Annual meeting and election of Philadelphia Securities Association.

Jan. 23-25, 1954 (Chicago, Ill.)
National Security Traders Association meeting of officers, members of council and National Committee at the Hotel Sherman.

Jan. 25, 1954 (Chicago, Ill.)
Bond Traders Club of Chicago mid-winter meeting at the Furniture Club.

Jan. 29, 1954 (Baltimore, Md.)
Baltimore Security Traders Association Annual Mid-Winter Dinner at the Lord Baltimore Hotel.

Jan. 29, 1954 (Philadelphia, Pa.)
Bond Club of Philadelphia annual meeting at the Warwick Hotel.

Feb. 11, 1954 (Boston, Mass.)
Boston Securities Traders Association 30th annual winter dinner at the Sheraton Plaza Hotel.

Feb. 26, 1954 (Philadelphia, Pa.)
Investment Traders Association of Philadelphia annual midwinter dinner at the Ben Franklin Hotel.

May 7, 1954 (New York City)
Security Traders Association of New York annual dinner at the Waldorf-Astoria.

May 16-20, 1954 (Chicago, Ill.)
National Federation of Financial Analysts Societies Convention at the Palmer House.

June 9-12, 1954 (Canada)
Investment Dealers' Association of Canada Annual Convention at Jasper Park Lodge.

Sept. 22-26, 1954 (Atlantic City)
National Security Traders Association Annual Convention at the Hotel Claridge.

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Atomic Energy and Electric Utility Securities

By ELDRED H. SCOTT*

Controller, The Detroit Edison Co.

After pointing out nuclear power, if used to generate electric power economically, will merely provide a new form of fuel and will not do away with existing steam turbo-generators, transmission and distribution systems, Mr. Scott gives data on the financial areas of competition between nuclear power and conventional fuels. Holds area of cost reduction is limited, and utilities could recoup from customers, as an obsolescence charge, large write-offs of property because of the introduction of nuclear power. Says utility managements are alert to nuclear possibilities, and are ready to adopt new and improved technologies. Holds government competition with utilities is main threat to their future profitableness.

The welter of headlines heralding this new source of heat energy released by nuclear fission has raised many questions affecting the future of electric utilities. The potentials afforded by the prospect of generating electricity from atomic energy must be causing the portfolio managers of our large insurance companies to pause and reflect on the future value of their electric utility investments. Are they about to lose their traditional market stability? Are his conclusions based on the trend of past results likely to be upset by unexpected developments?

Eldred H. Scott

If he happens to remember that, unlike coal gas or petroleum, electricity is a *form* and not a *source* of energy, his fears will be allayed. The quantity of information now available on the scientific and engineering problems of nuclear power is monumental. It is, in fact, fast becoming repetitious while awaiting the building and operation of a commercial reactor.

The Joint Committee on Atomic Energy of the United States has published two volumes of 649 and 415 pages entitled, "Atomic Power and Private Enterprise." The articles, speeches and reports generally cover the problems of research and development, the economics of design, construction and operation of atomic power plants, the ownerhip of raw materials, the patent situation, and the safety of personnel.

Much has been heard from the physicist, the chemist, the engineer, the politician, Government administrators, etc., but little has been heard from investment people on the over-all financial aspects as they affect electric utility securities outstanding and to be outstanding.

Coupled with the availability of all this published information, the recent statements by responsible Government authorities that other nations, friendly and unfriendly, are getting ahead of us on industrial applications greatly arouses one's curiosity as to just what classified atomic information is available to those "cleared" by the FBI. An address by U. S. Atomic Energy Commissioner, Thomas E. Murray, early this month encouraged me in the preparation of this article which I had approached with much trepidation. His general theme was not to leave atomic energy to the expert which he defined as "one who avoids the small errors as he sweeps on to the grand fallacy."

*A paper by Mr. Scott delivered at the American Finance Association's Annual Meeting, Washington, D. C., Dec. 30, 1953.

An Hypothesis of Lowered Costs From Nuclear Power

The purposes of this paper are served if we assume that electricity from nuclear power will be generated at less cost than by the use of other fuels. If it turns out differently we can be sure that there will be little, if any, effect on the securities of electric utilities. The only loss would be the amounts now being spent on research and development. (The assets of the 18 electric power systems in the Dow Chemical-Detroit Edison group total over $8 billion.)

Nuclear power, if and when it can be used to generate electric power economically, will merely provide a new form of fuel. The reactor can replace only the boiler portion of thermal generating stations. The existing steam turbo-generators, transmission and distribution systems will still be necessary.

The hypothesis of decreased generating costs, however minute or considerable, greatly simplifies our approach. To date, no one can say what the final comparative results will be.

A conventional power plant costs in the neighborhood of $160 per kilowatt of capability today. Most estimates of generating cost arrive at about 7 mills per kilowatt-hour as typical for the whole country. This includes all fixed charges. In the reactor field estimates have been as high as $850 per kilowatt of capability. Even assuming greatly reduced fuel costs, few studies have come near the $300 per kilowatt believed necessary to make nuclear power competitive.

Data on the Financial Areas of Competition Between Nuclear Power & Conventional Fuels

The electric industry has always been pegged as a high capital-slow turnover industry. The introduction of nuclear power with characteristics of higher capital outlays and lower fuel cost would be certain to accentuate this trait. Thus, we who are interested in the financial end of the business can be certain that there will be relatively more securities outstanding. Our analysis indicates that the owners of presently outstanding securities have little to fear from the application of nuclear power.

To date it has not even been suggested that nuclear power can be used directly at the consumers' premises. There has been some thought that perhaps some day a large industrial customer might find it economically feasible to have his own installation. Thus, our thinking for perhaps decades to come must be prosaically confined to a central station setup with the conventional steam turbine and generator. The only change brought about by the introduction of nuclear power would appear in the boiler room and fuel handling facilities.

With this thought in mind let us look at the composite Balance Sheet and Income Statement of the whole electric industry to appraise this area of competition between nuclear power and the fuels in present day usage. (Table I.)

Since this is a session called to consider the financial problems of insurance companies the liability side of the utility balance sheet is also presented. Holdings of these securities are, of course, one of the principal assets of the insurance companies. This balance sheet shows a good quantitative relationship with about a 50% debt ratio. It will also be noted that the Boiler Plant Equipment account, the only account affected by the introduction of nuclear power, is covered $4\frac{1}{2}$ times by the Equity account.

If we assume that the primary aim of the bond purchaser is to avoid trouble rather than to protect himself in case of trouble, the introduction of any cost reducing device should give him more security even if it does involve some write-offs in the property back of his lien. Thus, the enterprise is operated more efficiently

Continued on page 89

TABLE I

Composite Balance Sheet (1952) Electric Utilities in the United States

% of Total	ASSETS		Probable Change with Nuclear Pwr.
8.1	Boiler plant equipment	$2,405,861,000	U.C.
13.7	Other steam production plant	4,089,163,000	N.C.
6.3	Hydraulic & internal combust. plant	1,895,753,000	N.C.
	Total electric production plant	$8,390,777,000	
40.0	Transmission and distribution plant	11,861,014,000	N.C.
9.2	General and other electric plant	2,715,159,000	N.C.
	Total electric utility plant	$22,966,950,000	
22.7	Other assets incl. other utility plant	6,719,231,000	N.C.
100.0	Total assets	$29,686,181,000	
	LIABILITIES		
	Capital stock and surplus	$11,396,128,000	
	Long term debt	10,809,393,000	
	Depreciation reserve	5,105,588,000	
	Other reserves and liabilities	2,375,172,000	
	Total liabilities	$29,686,181,000	

U.C. Up considerably. N.C. No change.

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Common Stock

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Transferable Subscription Warrants evidencing rights to subscribe for these shares, at the rate of one share for each ten shares held, have been issued by the Company to holders of its outstanding Common Stock. The Warrants expire at 3:30 P.M., Eastern Standard Time, on January 29, 1954, as is more fully set forth in the Prospectus. During and after the subscription period, shares of Common Stock may be offered by the underwriters as set forth in the Prospectus.

Subscription Price to Warrant Holders

$35.75 per Share

Copies of the Prospectus may be obtained in any State in which this announcement is circulated from only such of the underwriters, including the undersigned, as may legally offer these securities in compliance with the securities laws of such State.

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January 18, 1954.

Profitless Prosperity in Automobile Retailing?

By ROBERT S. ARMACOST*

President, National Automobile Dealers' Association

Denying that return to a buyer's market in the automobile industry means the end of good business, Mr. Armacost urges auto dealers to strive to win back their former reputation as America's No. 1 salesmen. Says automobile retailing is at crossroads, and dealers should return to sound, hard selling practices. Expresses optimism regarding potential 1954 car market, pointing out consumers are spending more, savings are at high record, and U. S. population has increased 20 millions since 1945.

Certainly a good hard look at the retail automobile business today will bring into sharp focus the fact that we are definitely at the crossroads.

The retail automobile business is either going to continue to be a great business, or it's going down-hill and become a competition-wrecked industry, with dealers allowing themselves to be stampeded into unrealistic, profit-murdering practices which result in no good for anybody.

I have been saying, in the many state meetings I have attended this year, that if we don't pull up the reins on ourselves—and do it quickly—we are going to find ourselves in the same boat as some other industries are in today. For example, nobody expects to pay list prices for appliances anymore! Cut-throat competition has had serious effect on television and radio markets.

Are dealers going to allow this condition to rear its ugly head right in the middle of the retail automobile business, with the result that nobody in the country will expect to pay list prices for automobiles?

Our factories fully expect us to pay the full invoice price of the car — and how! Why should we discriminate against our customers by not giving them a chance to pay the list price!

Goodness knows, with today's high operating costs, every dealer needs his full gross margin. Our National Automobile Dealers' Association Business Management surveys show clearly that too many of us are already too close to red figures for comfort—let alone safety.

A friend of mine, at a recent dealer meeting told me: "I run a non-profit organization; I don't mean to—it just turns out that way!"

That's supposed to be a joke, son,—but it isn't funny, because too many of us are in the same fix as my friend.

Nobody benefits by "profitless prosperity."

A customer may think he benefits temporarily, but the benefit is short-lived. He fails to appreciate the real reason he bought your product or mine—he didn't buy a car nor a dealership; he only bought a discount.

Instead of being enthusiastic about his new car, all he has to boast about is the price at which he bought it, or the deal he put over on you. He hasn't been sold on the car, nor has he been sold on you.

Too many dealers have succumbed to the temptation to force sales by ridiculous price-cutting on products which should be worth every cent of their legitimate list price, or by wild trading that goes 'way beyond legitimate trade-in values. One dealer in a community starts something and the war is on. True, it may be only a minority, but the results affect all of us.

Now what's the answer to this sad state of affairs?

Some dealers say "Cut Production." Manufacturers say "Step Up Selling." Many other dealers say that NADA should do something.

Now mind you, all these answers lay the blame on the other fellow's shoulders.

Maybe it's natural to do just that—place the burden on the other fellow's shoulders. But doing so isn't going to solve the problem.

Both factories and dealers are going to have to do something about it. One factory President said in a recent speech:

"Factories must limit their production to that volume of cars which, with hard, intelligent selling, can be sold at a profit by retail dealers."

Another factory President said only a few weeks ago:

"No dealer needs to go for long accepting cars to turn them over at no profit just so a factory can maintain production."

It's certainly gratifying to me, as I am sure it is to you, to hear top factory officials express such realistic opinions on production. Let's hope that philosophy is contagious!

In my opinion, if we have a recession in 1954, it will be dealer-made. I say this because I sincerely believe that dealers have, at this time, in their own hands, the future of automobile retailing.

We must remove from our minds all negative thinking. Any dealers unable to do this should get out of the business while there is still time. There will be others to take their places. Perhaps they will not have all the physical assets of their predecessors but they will have one thing their predecessors lacked—that is, confidence in themselves, in their product and the future of the automobile business.

I believe that manufacturers are going to be more interested in the future of these men, who do not necessarily have money but have a desire for successful accomplishment.

Let's hope that these new men, who replace the few who may decide that the going is too tough, will have the courage to run their own business, to sell automobiles, **and I mean sell,** to be able to say **no** when asked to buy merchandise that he now has in stock and to say it politely and convincingly with the full realization that in doing so he may be tabbed by his manufacturer as being non-cooperative.

In the over-all period, his suppliers will respect his sound business judgment.

Dealers have the future in their own hands, all they have to do is sell their merchandise at the price established by the manufacturer. Certainly they have, a long time ago, established the merchandising percentage necessary for dealers to operate efficiently at a profit. If dealers would maintain their retail price level as their factory partners do, all problems in merchandising would disappear.

We've been hearing, from many quarters, that the industry will produce less cars in 1954; but, strange to say, each spokesman says **his company will produce more!** In other words, "leave it to George" to do the cut-back if it is going to be done!

I don't know who "George" is going to be, but I can tell him on your behalf, that if he doesn't want to face up to realistic production, then he, and all of them, better find some other way to correct the present situation where one so-called partner, the factory, realizes its full profit on every car produced while the other partner, the dealer, is called upon to make all the sacrifice, profit-wise, to move that production.

Now let's get over into that "Step-Up-Selling" solution.

From 1947 to, perhaps, the early part of 1953, we lived through an era in our business which, I am afraid, has given many of us an entirely false notion of what the retail automobile business really is. Some of us have forgotten, some of us never knew! I'm afraid, also, there are those who thought lush profits were self-perpetuating.

As one who has spent more than 30 years selling automobiles, I want to remind you that running a dealership is a steady, grinding, routine job, day after day. Over the long haul, salvation is not found in unexpected opportunities or extraordinary flurries which have electrified markets in recent years. Successful automobile dealers never were opportunists—they went out and hit the trail for business. Why, there was a time when automobile dealers and their salesmen were universally regarded as "America's No. 1 Salesmen."

Where has that reputation for crack sales ability gone? Have our friends, the insurance men or the real estate men, taken that position from us?

I say to you, if we take only one thing away with us, let it be a firm and united resolution to regain in 1954 our crown as the Nation's No. 1 Salesmen ! !

Actually, the future of this country depends upon the faith of the people who make up the selling forces of the nation. Production lines and products in warehouses are only inventory until sales are made!

And, there's no super-highway to sales! There is no middle-of-the-road in selling—no easy way out.

I know some men who feel the return of a buyer's market has to mean the end of "good business." It doesn't at all. It simply means a prospect has to be given more and better reasons for buying one product instead of another.

Speaking of prospects, sometimes they are funny. Prospects often have a need for your product or service, but they don't know it. You have to locate them and convert that latent desire into action.

The first thing we have to do is to recognize the necessity of doing the successful things we used to do to sell automobiles—only, in this day and age, we have to do them better.

I'm afraid that is what we're not doing enough today. Literally millions of prospects in the United States haven't had a call from an automobile salesman in the last 12 years. If you doubt this, ask the next 100 people you pass on the street.

A recent Crowell-Collier nation-wide survey revealed that 77.6% of the American people have not been solicited by an automobile dealer or his salesman either by telephone or in person.

Remember we used to have a sales formula: "so many calls, so many demonstrations; so many appraisals, so many sales."

Picture what this formula, applied to these unsolicited millions of prospects, might mean to our business.

Let's not overlook the economic factors which justify our being optimistic about 1954—Year of Decision!

Actually more people are working and they are turning out more goods and services than ever before in the nation's history. Consumers are spending more for goods and services; at the same time savings have piled up a record total.

I wonder if you realize also that the population of this country, which stood at 140,000,000 in 1945, passed 160,000,000 in August of 1953. In the short space of 8 years since V-J Day, the net population increase was 20,000,000 persons.

Along with this startling population increase, let me remind you that: 37 out of every 100 of the nation's farms do not have automobiles; 66 out of every 100 farms

*An address by Mr. Armacost at the Convention of the National Automobile Dealers' Association, Miami Beach, Fla., Jan. 12, 1954.

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have no trucks. Out of every 100 families that own cars, 89 have only one car. 17,000,000 families have no car.

Do you know how many of these people live in your territory? Are they among that 77% who have never been solicited by a dealer or his salesman?

No doubt you are thinking that I am pretty optimistic about this year of decision. I am. I believe the automobile is here to stay. And I believe if we put our minds and our hearts and our intelligent efforts into it, we can keep it the profitable, satisfying, dynamic business we all want it to be.

It's our responsibility to make the retail automobile business a good business in 1954. We owe that to the country, because our business has developed in importance until today it is recognized as the key to the economic stability of the nation. Watch all business reports and all analyses of business conditions; the automobile market is invariably the first one discussed. If the retail automobile business is good, virtually all business is good.

Therefore our responsibility as individual businessmen, and our collective responsibility, through our national association, becomes of the utmost importance.

Nat'l Quotation Bureau Elects White V.-P.

Frank C. White

L. E. Walker

At a meeting of the Board of Directors of National Quotation Bureau, Inc. held Jan. 20, Frank C. White, who has been with the company as Pacific Coast manager for more than 25 years, was elected Vice-President in charge of all Pacific Coast activities.

The following officers were re-elected: Louis E. Walker, President and Treasurer; Kathryn A. Gilroy, Executive Vice-President; Wm. F. Moss, Vice-President, and John L. Fletcher, Secretary.

Is Ike's "Strike Freeze" Recommendation Sound?

By CLARENCE E. BONNETT
Tulane University, New Orleans, La.

Mr. Bonnett points to certain difficulties in the application of President Eisenhower's "strike freeze" proposal, chief among which are its effects in preventing union smashing, when union smashing may be beneficial to the public.

President Eisenhower's proposal that no representation election be held while a strike is on is one that has strong popular appeal. However, too many factors are involved to deal with the matter in this oversimplified manner. Let us look at some of these factors.

Dr. C. E. Bonnett

This proposal would tend to "freeze" indefinitely the union status of the struck plant. Probably many of the strikers have returned to work thoroughly disillusioned as to the capacity of the striking union official to lead. They may wish to be represented by a wiser official of a more alert union, but under the "freeze" they are not permitted to exercise their right to "self-organization"; they must apparently wait until the striking union official declares the strike off. All who have gone back to work are actually "scabs" and "strikebreakers" along with the replacement workers. Is their right, then, to be made subordinate to that of "strikers" who may have taken jobs elsewhere, but whose vote "retains" the old union official.

"Struck" employers cannot legally bargain with any union official other than that of the "striking" union until he declares the strike off—and many strikes have never been declared off. Until he declares it off, who is otherwise to determine when the strike ends? Will the law allow the National Labor Relations Board or the courts to declare a strike no longer exists—contrary to the declaration of the "striking" union official? If so, what is to be the criterion that the strike is over? If the criterion is that the "struck" shop has a full quota of workers, then the "freeze" proposal is not a preventative of "union smashing." Which horn of the dilemma will the government agencies take? Is the proposal either wise or efficacious? Moreover, is "union smashing" always bad? This question merits serious consideration.

"Union smashing" in a future depression is one of the widely broadcasted fears of proponents of changes in or repeal of the Taft-Hartley Act. The condemned provision in that Act relates to the right of the replacement workers to vote, instead of the displaced strikers, in a representation election for the choice of a bargaining agent, when the previous workers had engaged in an "economic" strike. However, it seems that no one has made clear why this provision would necessarily cause or even conduce to union smashing in a depression. Just how do depressions furnish the conditions for union smashing, and how could that provision make the smashing easier?

From many years of study of the history of labor-management relations, I have learned some of the factors that conduce to union smashing in depressions. Strange as it may seem, union officials have been the outstanding factor in that smashing, and the elimination of that provision would not lessen the force of this factor but actually might make it more potent.

This historical study shows that the events in the great number of instances of union smashing have developed generally in the following order: Business has been very profitable and union officials have demanded and obtained from appeasatory associations and employers higher wage rates and other concessions. Employers have tried to meet the rising costs of labor and materials in a number of ways, but increasing the price of the product could not go on indefinitely as one of them. Union officials privately have urged the employers to combine to increase prices, but the operation of subtle and indirect forces of competition have often defeated such conspiracies when inflationary measures came to an end. Although no depression had yet been heralded, the employer had two main choices left as to his labor costs: Cut wage rates or lay off workers. Union officials opposed both, but fought wage cuts most bitterly. Employers and their associations tried hard to convince the union officials that wage reductions must be made, but usually to no avail. Accordingly, the easier way was to lay off workmen. Unless restrained by seniority, the employer laid off the least needed and the most inefficient workers. That move, however, stimulated most of the remaining workers to more efficiency as they did not want to be classed in a group of "near loafers" awaiting their time to be laid off. Union officials, however, started an agitation about the "speed up" and demanded a shorter work week as a means of keeping more workers employed. But the shorter work week was to be made without any reduction in take-home pay. Price-cutting was still regarded as an anti-social act, and the unions' "social and economic gains" must be stoutly maintained. As costs for materials and the like could not be cut under such conditions, the purchasing of them was curtailed: inventories piled up and the talk of a mild recession started. Whether lowered prices and reduced labor costs at the opportune time would have "righted" the market was never systematically tried because of the strong opposition of union officials.

Accordingly, attempts of formerly collective-bargaining employers to cut costs severely were met by "economic" strikes usually of long duration with plenty of violence, and the union was smashed. Such strikes tended rather to "mess up" the economic system—frightening investors and bankers who sought to withdraw funds from the affected industries. NRA, as a "noble fantastic experiment" in boosting prices and wages was a signal failure so will hardly be tried again soon. And enormous exenditures for public works and the like had to be supplemented by the inflation of war to make the "higher-prices-higher-wages" formula work.

Are union officials now mature enough economically to allow the private enterprise system to work orderly or not? If not, how could the elimination of the above provision in the Taft-Hartley Act, of itself, lessen the danger of union smashing in a real depression? Just how could the "freeze" proposal in any way lessen the danger?

Finally, one vital question remains: just why should the government, in any case, underwrite the success of the unions when their officials, goaded perhaps by rivals for their offices, commit errors of judgment which regularly would cause their unions to be smashed? Why should the government attempt to guarantee that no union should be smashed when the pages of history are full of cases not only of unions being smashed, but of both businesses and employers' associations being smashed by the unions? Business after business has been smashed by union strikes and boycotts, and association after association has been split up in dissension through the "divide and conquer" tactics of union officials. They even boast of these conquests. Moreover, associations, like the League for Industrial Rights, have been practically smashed by government action. Actually, a union organized largely through government efforts in World War I to stop sabotage by the anarchistic Industrial Workers of the World [itself smashed by the government] was later smashed by the action of the National Labor Relations Board. This Board has smashed many company unions. If the government is to be impartial in labor-management relations, it should not endeavor to protect unions from the unchecked folly of their officials.

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INVESTMENTS

Mutual Funds

By ROBERT R. RICH

ASSET VALUES of both balanced and common stock mutual funds proved to be more stable than the stock market as a whole during the year 1953, according to the Henry Ansbacher Long Index of Mutual Funds published monthly in "Trusts and Estates" magazine. In contrast with Standard & Poor's Index of 90 stocks which declined 6.6% during the recent 12 months, the average principal value of the balanced funds was off only 3.0%, while the stock funds decreased only 4.6%. The principal index of the balanced funds stood at 168.5 on Dec. 31 and the stock index registered 192.1. The base period used is Dec. 31, 1939.

Several of the funds held above their previous 1952 lows during the weak stock market of last September when the 90 Stock Average hit its poorest level for the two-year period ending last December. Three of these registered substantially better improvement over the 24 months than the 4.3% rise in the averages. These were State Street Investment Corp., 11.6%; Wall Street Investing Corp., 9.5%; and Eaton and Howard Stock Fund, 8.3%.

Dividends from net investment income of balanced funds during the past year averaged 3.67%, an increase from the 3.56% return of the preceding 12 months. The 5-year average figure was 3.97%. Common stock funds showed an over-all pay-out of 3.82% from net investment income. This compared with 3.67% for 1951 and a 5-year average of 4.11%. The range of individual returns during the year 1953 for the 43 non-specialized funds which make up the Index deviated between 5.73% and 2.22%. The income figures do not reflect captial gains distributions.

THE AXE - HOUGHTON weekly business index has declined during the last three weeks owing to a general downward tendency in all components of the index. There has been some recovery in steel and automobile production since the beginning of 1954, although some of the increase in automobile production is probably temporary.

The Axe - Houghton index of durable goods raw material prices has declined, mostly because of lower steel scrap prices and partly because of a reduction in copper scrap prices. Steel scrap prices have reached a new low since 1950.

Semidurable goods raw material prices have also shown a slight tendency to decline, although reductions in wool top and hide prices have been largely offset by an advance in cotton, which has moved upward, allowing for seasonal factors, since the decision was made to reduce the acreage available for the next crop. Unfilled orders for paperboard have declined.

The advance in cotton has induced a moderate covering movement in the cloth market so that print cloth prices have advanced for the first time since last June. Farm prices generally have advanced, so that the all-commodity wholesale price index has been steady despite declines reported in individual commodities such as some chemicals and synthetic fibers.

Recent rumors of a marked improvement in the inventory situation are not confirmed by the official figures, which show decreases, seasonally adjusted, in retail and manufacturing inventories, but only moderate ones, the Survey reports. There has been considerable curtailment of production since Nov. 30, the date of the latest official inventory figures, and this has probably brought about further inventory contraction in the last six weeks, but it seems unlikely that the correction has been sufficient to bring about any marked change in the outlook.

The extraordinary amount of interest being displayed by the Administration in the farm problem, however, the Survey states, has apparently stimulated a moderate revival in the farm machinery industry, despite the circumstance that the proposed plans seem to offer the farmer less in the way of guaranteed cash returns.

A possible explanation of this phenomenon may be that the farm machinery industry has already been depressed for quite a while in the midst of general prosperity; and it is also possible that many farmers are smart enough to derive a little encouragement from the Administration's recognition of the long-run danger of continuing to pile up surpluses, even if it does not seem to know what to do about them.

Another favorable factor reported in the general outlook is the surprisingly high level of new passenger car registrations, which came to 450,311 in November, as compared with domestic factory shipments of only 369,994, thus confirming previous estimates of a marked reduction in dealers' stocks. The additional curtailment announced by some manufacturers for the remainder of January should bring about further improvement in the car inventory situation, although several observers are not prepared to agree with some of the more optimistic predictions for the automobile industry in 1954.

SELECTED AMERICAN Shares, Inc. reports net assets at Dec. 31, 1953 were $27,031,462 compared with $26,548,047 at the end of 1952. Asset value per share was $12.88. After adjusting for a capital gain distribution of 45 cents a share the net asset value per share declined 4.7% from the prior year-end, reflecting the moderate downward adjustment in the average level of stock prices in 1953. Dividends totaling 58 cents a share were paid in 1953 from ordinary income.

At the year-end the company had investments in stocks of 91 companies, with the five largest investments by industry in electric utility, 11.4% of assets, oil 8.2%, chemical and drug 7.9%, electric equipment and television 7.3%, retail trade 5.9%. Common stocks represented 80.5% of assets, U. S. Government securities and cash 19.5%.

Significant net changes during the year were the increase of 12.6% in holdings of government securities and cash; increases of 2.5% in electric utility, of 2.3% in building. Decreases included the elimination of railroad and steel investments, decreases of 3.6% in the automobile industry, 3.3% in oil, 2.7% in electric equipment.

Edward P. Rubin, President, states: "1954 should be a year of well-sustained after-tax earnings and dividends for the average corporation. It seems likely that the intense selectivity in stocks witnessed in recent years may continue. It appears that we may be in the process of adjustment to something more like a 'normal' economy. So far, the adjustment which has been under way since last Spring has been quite modest. There are strong reasons for hope that the necessary adjustments can be made within the framework of a high level of employment and satisfactory business and investment conditions."

de VEGH Mutual Fund, Inc. reports that its net asset value increased from $37.03 per share on Dec. 31, 1952 to $38.38 per share on Dec. 31, 1953, an increase of 7.9% after an adjustment for a long-term capital gains distribution during the year of $1.41 per share. This increase, the report points out, compares with a decline of 3.9% in the Dow Jones industrial average for the same period and more substantial declines in other averages most frequently used for measuring the trends of common stock prices.

The report states that the net asset value per share on Dec. 31, 1953 was 10.8% greater than the net asset value per share on Sept. 30, 1953, rising from $34.65 to $38.38.

Shares outstanding in the de Vegh Mutual Fund, Inc. on Dec. 31, 1953, were 56,665 as compared with 55,541 on Sept. 30, 1953. Total assets on Dec. 31, 1953 were $2,174,590 compared with $1,924,614 on Sept. 30, 1953 and $1,854,625 on Dec. 31, 1952.

BOTH THE dollar volume of 1953 sales of Group Securities, Inc., and the number of dealers from whom business was received showed

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good increases, despite the fact the mutual fund sales generally were off, according to Herbert R. Anderson, President.

He stated that the dealer increase amounted to 28% and sales gain 10%, compared with 1952.

DELAWARE FUND reported gross sales for 1953 of $3,659,077 for an increase of 3.5% over sales of $3,533,307 in 1952.

The Fund closed the year with 1,025,261 shares outstanding in the hands of the public—the largest number since its organization in 1938. It compares with 882,764 shares outstanding at the close of 1952.

CLOSED-END NEWS

UNITED STATES & Foreign Securities Corporation and it affiliate United States & International Securities Corporation report a combined net asset value of $115,-928,697 as of Dec. 31, 1953 after a deduction of $35,701,200 for indicated value of the former's investment in the affiliate. This compares with a combined net asset value on Dec. 31, 1952 of $127,044,712 after a similar deduction of $39,029,750.

Net assets of U. S. & Foreign on Dec. 31, 1953 were $90,796,042, equivalent to $918.99 per share of first preferred stock outstanding and, after deducting the value in liquidation of the first and second preferred stocks in the total amount of $14,880,000, to $77.07 per share of common stock outstanding. This compares with asset value of $100,930,914 a year ago, equal to $1,009.31 per share of first preferred stock and $87.24 per share of common.

U. S. & International's net asset value of Dec. 31, 1953 was $60,833,855, equal to $305.70 per share of first preferred stock outstanding and, after deducting the value in liquidation of the first and second preferred stocks in the total amount of $35,000,000, to $10.39 per share of common stock outstanding. A year earlier the company's net asset figure of $65,143,548 was equal to $325.72 per share of first preferred and $11.85 per share of common.

During the year U. S. & Foreign paid dividends amounting to $4.50 per share on the first preferred stock, $6 per share on the second preferred and $4.50 per share on the common stock. These dividends aggregated $5,181,150. U. S. & International paid dividends of $5 per share on the first preferred stock and $11 per share on the second preferred for an aggregate of $2,098,750. The payments on the second preferred stock reduced dividend arrears from $57 per share at Dec. 31, 1952 to $51 per share at the end of 1953.

During the final quarter of the year 1,200 shares of U. S. & Foreign first preferred stock and 1,000 of U. S. International first preferred were purchased in the open market and retired.

The reports state that no allowance has been made for Federal capital gain tax on unrealized appreciation as the corporations have elected to be taxed as "regulated" investment companies and under existing law are relieved of that tax on realized investment profits distributed as capital gain dividends.

U. S. & Foreign owns approximately 99% of the second preferred stock and 80% of the common stock of U. S. & International.

TRI-CONTINENTAL Corporation, the country's largest diversified closed-end investment company, ended its 24th year of operations in the best condition in its history with net investment assets at an all-time high of $176,333,083, according to the Corporation's annual report released today.

Francis F. Randolph, Chairman of the Board and President, announced that net assets of $25.21 per share of common stock on Dec. 31, were changed very little from the end of 1952, when they amounted to $25.69. At year's end the company had $9,072 assets per $1,000 principal amount of debentures outstanding and $359.64 for every share of its $6 preferred stock.

Dividends paid to Tri-Continental common stockholders in 1953, the report added, totaled a record $1.11 per share. The dividend in 1952 was $1.04. In the past five years, the report said, dividends to common stockholders have risen almost 100%.

Mr. Randolph reported that the company's long-standing program of consolidation and simplification, which included mergers of General Shareholders Corp., Selected Industries Inc., and Capital Administration Co., Ltd., was virtually completed last year. Special investment holdings equal to almost 20% of net investment assets six years ago have now been almost completely replaced with marketable securities of a broad list of well known and well established companies. As a result, fluctuations in the market value of the portfolio should be lessened, the report said.

The prospect for business in general in 1954, according to Mr. Randolph, appears to be for a comparatively good year even though the trend of activity may be downward rather than upward. Dividend payments for stocks in general, which have been relatively conservative in relation to earnings in recent years, should hold up reasonably well. Circumstances are such, he added, that security prices could be better maintained than under similar conditions of business decline in the past.

Union Securities Corporation, Tri-Continental's wholly owned securities underwriting subsidiary, had a good year in 1953, according to the report. Net income after taxes amounted to $1,505,524. The underwriting firm acted as manager or joint manager for security issues approximating $269,000,000 and had total underwriting participations aggregating about $138,-000,000 in issues managed by itself or others.

The report reveals that Tri-Continental maintained its common stock investments, including the stock of Union Securities, at approximately 80% of its net investment assets. It continued to emphasize securities that might be expected to resist a downtrend in general business activity. Public utility common stocks still represented Tri-Continental's largest single industry investment, with holdings of 15.27% of net investments. Oils remained the second largest group, accounting for 11.93% of the portfolio.

Tri-Continental established two new investment positions during the fourth quarter, with the purchase of 8,700 Columbia Broadcasting System "A" and 7,900 "B" and 3,700 shares of Union Pacific Railroad.

Principal increases in common stock holdings were 13,000 General Electric, 20,700 Florida Power & Light Co., 6,400 E. I. du Pont du Nemours, 11,700 Pacific Gas & Electric Co., 1,800 International Business Machines Corp., and 7,000 Continental Can Co.

During the same period Tri-Continental eliminated portfolio positions by the sale of 20,000 Mississippi River Fuel, 24,000 Celanese Corp. of America, 7,000 Johns-Manville, 12,000 Utah Power & Light Corp., 10,000 U. S. Steel Corp., 12,800 American Locomotive Co. and 1,000 Detroit Edison Co.

Reductions in common stock holdings included 13,300 Reynolds Tobacco Co. "B," 7,000 Goodrich Co., 8,000 Ohio Oil, and 8,000 Standard Oil of California.

NET ASSET value per share of National Shares Corporation on its 360,000 shares of outstanding capital stock at Dec. 31, 1953, based on market quotations on that date and after deducting 1953 taxable dividends aggregating $1.137 per share paid from ordinary income and $1.163 paid from realized capital gains, amounted to $33.65 compared with $35.56 per share one year ago—according to the Corporation's 25th annual report issued Jan. 15.

National Shares Corporation is a closed-end investment company managed by Dominick & Dominick and commenced business early in 1929 with assets of $25 a share.

The percentages of securities held at year-end 1953 compared with 1952 are shown in the following tabulation:

Type of Security—	Dec. 31,'53	Dec. 31,'52
Common stocks	78.8%	79.5%
Preferred stocks	.6	5.4
Bonds	3.4	2.6
U. S. Govt. obligations	16.1	12.0
Cash, receivables, etc. (less liabilities)	1.1	.5

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Continued from page 4

The State of Trade and Industry

up sharply to $55,856,712, against $32,467,886 in the corresponding 1952 month, for a rise of 72.0%. Compared with $49,037,818 in November, the gain was 13.9%.

The estimated cost of building construction under permits issued in 215 cities for the year 1953 totaled $5,093,514,970, an increase of 14.8% above the 1952 volume of $4,435,928,490. It was the second highest on record, being exceeded only in the 12 months of 1950, when permits reached an all-time high of $5,549,694,106.

Total valuation of building plans filed in New York City in the 12 months of 1953 rose 11.2% to $556,935,050, as against $500,980,268 a year previous.

Steel Output Scheduled at 74.3% of Capacity Unchanged From Week Ago

Pace of steel demand has quickened since opening of the new year, says "Steel," the weekly magazine of metalworking. But it leaves much to be desired in the way of order volume. Buying is spotty. In some products it is particularly disappointing. Consumers, playing it safe, are ordering sparingly and for requirements in sight. Some are working off inventories, which were larger than had been generally thought. The fact stocks have dropped to the point where replacement buying cannot be long deferred lends an encouraging note for the immediate future, this trade journal observes.

The pickup in market activity is noticeably lacking in verve and spontaneity. This is especially noticeable in bars and plates, and, to a certain extent, in sheets. Demand for merchant pipe, notably butt-weld, still lags though no more than had been expected. Wire products are moving a little better than they were. On the whole, there still is plenty of open space in February mill rolling schedules for virtually all products with the exception of the lighter wide flange structurals, it states.

Current demand presents a striking contrast with that prevailing at this time a year ago, "Steel" points out. Today, producers are actively seeking orders to fill out February schedules. In some items space still is available in January. Not even the auto builders and related consumers are exerting more than moderate pressure on the market despite their reported plans for large-scale first quarter auto production, it continues. A year ago, on the other hand, it states, mill books were overloaded for first quarter and producers were turning orders away. Sellers today are still concerned with getting business for the first quarter while a year ago they were assured full order books through the second quarter.

Despite the current relatively sluggish appearance of the market producers are confident demand will burgeon over the next few weeks. February bookings are seen bettering those of January, and current indicators point to highly satisfactory volume in March. Actually, current bookings are comfortable and stack up favorably with volume in what would be considered normal business years, though pressure of a year ago is absent, it concludes.

The American Iron and Steel Institute announced that the operating rate of steel companies having 96.1% of the steelmaking capacity for the entire industry will be at an average of 74.3% of capacity for the week beginning Jan. 18, 1954, equivalent to 1,772,000 tons of ingots and steel for castings, unchanged from a week ago.

The industry's ingot production rate for weeks in 1954, is now based on annual capacity of 124,330,410 tons as of Jan. 1, 1954.

For the like week a month ago the rate was 64.1% and production 1,444,000 tons. A year ago the actual weekly production was placed at 2,248,000 tons and the operating rate was 99.7% of capacity. The percentage figures for last year are based on annual capacity of 117,547,470 tons as of Jan. 1, 1953.

Electric Output Registers All-Time Peak in Latest Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Jan. 16, 1954, was estimated at 9,013,905,000 kwh., an all-time high record for the industry, according to the Edison Electric Institute.

The previous all-time high record occurred in the week ended Dec. 19, 1953 when output reached 8,896,250,000 kwh.

The current figure represents an increase of 189,104,000 kwh. above that of the preceding week, and an increase of 892,548,000 kwh., or 11.0% over the comparable 1953 week and 1,474,026,000 kwh. over the like week in 1952.

Car Loadings Dip 9.3% Under Corresponding Period in 1953

Loadings of revenue freight for the week ended Jan. 9, 1954, increased 146,424 cars, or 30.6% above the preceding New Year's holiday week, according to the Association of American Railroads.

Loadings totaled 624,229 cars, a decrease of 63,881 cars, or 9.3% below the corresponding 1953 week, and a decrease of 120,481 cars or 16.2% below the corresponding 1952 week.

U. S. Auto Output Cut in Latest Week

Automobile output for the latest week declined below that of the previous week, according to "Ward's Automotive Reports."

The industry turned out an estimated 114,882 cars last week, compared with 118,825 (revised) in the previous week. A year ago the weekly production was 110,885.

Last week, the agency reported, there were 24,789 trucks made in this country, as against 25,226 in the previous week and 27,893 in the like 1953 week.

"Ward's" estimated Canadian plants turned out 8,125 cars and 1,675 trucks last week, against 7,417 cars and 1,570 trucks in the preceding week and 7,225 cars and 2,046 trucks in the comparable 1953 week.

Business Failures Show Mild Decline

Commercial and industrial failures dipped to 200 in the week ended Jan. 14 from 202 in the preceding week, Dun & Bradstreet, Inc., states. However, casualties continued to exceed considerably the toll of 158 which occurred in the comparable weeks of both 1953 and 1952. In relation to the prewar level, failures were down 47% from the 380 recorded in the similar week of 1939.

Casualties involving liabilities of $5,000 or more declined slightly to 172 from 177, but remained well above the 134 of this size a year ago. Meanwhile, an increase raised small failures, those with liabilities under $5,000 to 28 from 25 in the previous week and 24 last year. Failures with liabilities of $100,000 or more numbered 13, as compared with 16 a week ago.

Wholesale Food Price Index Climbs to 31-Month Peak

In the sharpest rise in over six years, the Dun & Bradstreet wholesale food price index moved higher for the tenth consecutive week to stand at $7.03 on Jan. 12. This represented the highest level in 31 months, or since June 19, 1951, when it stood at $7.07. The latest number at $7.03, reflects a gain of 2.6% over the previous week at $6.85, and is 12.5% above the corresponding 1953 index of $6.25.

The Index represents the sum total of the price per pound of 31 foods in general use and its chief function is to show the general trend of food prices at the wholesale level.

Wholesale Commodity Price Index Registers Sharp Rise

The upward movement in the Dun & Bradstreet daily wholesale commodity price index was accelerated the past week. The index closed at 275.65 on Jan. 12, up from 273.92 a week earlier, although slightly below the 278.24 recorded on the corresponding date a year ago.

Grain prices moved irregularly over a fairly wide range last week. Wheat was generally firmer, reflecting a brighter outlook for export business and some improvement in domestic flour trade.

There was a growing scarcity of offerings in cash markets which resulted in slightly firmer premiums as compared with futures.

Trading in corn was more active but buyers were cautious and prices weakened as the result of increased selling by farmers over the week-end. Oats prices finished moderately higher than a week ago with offerings about equal to the demand. Volume of trading in grain and soybean futures on the Chicago Board of Trade increased sharply over the previous holiday period. Purchases last week averaged about 47,600,000 bushels per day, against 45,200,000 the week previous and 59,200,000 in the same week last year.

The domestic flour market turned quiet as the week closed, following moderate to fair volume of bookings of hard wheat bakery flours around mid-week. Purchases were mainly for nearby shipment and in many cases were accompanied by shipping directions.

Reflecting the prospects of a continued tightening in world supplies and the higher prices asked for in producing countries, cocoa values continued to soar to new highs for the current movement.

The current season's crop was estimated to be about 7% under last year's total. Demand for green coffee continued unabated as prices spiraled upward to new highs for all time. The Santos 4s grade closed at 72½ cents per pound, up 6 cents for the week,

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How Shall We Reason for 1954?

By EDWIN G. NOURSE*

Formerly Chairman, Council of Economic Advisers

Former chief adviser to President Truman finds 1953 was a prosperous year because of the momentum of various forces carried over from previous period. Implies 1953 was not as good as it looked. Holds there is some doubt increased consumer spending can fill the gap of past outlays under war and preparedness conditions, and contends major concern in 1954 should be to keep recessionary tendencies from snow-balling into unmanageable recession. Expresses view the Administration has been consistently overbidding its hand in its repeated assurances that a real recession will not happen because the government will not let it, and, instead, suggests private business act to correct abuses of the boom, and thus cushion the impact of depressionary tendencies.

This is an appropriate time for an economist to look with a group of businessmen at the current situation of our economy and the factors that will determine the course of business during 1954. The books have been closed on 1953 operations. Various polls have been taken of the intentions of industrialists, merchants, farmers, and consumers. Various panels, forums, and assemblies of economists and near-economists have been convened and their findings publicized. The American Economic Association held its annual convention in Washington during the holidays, and the newspaper reporters and radio commentators reported what they heard and volunteered explanations of what they thought it meant. Scores of newspapers and periodicals have given their previews of 1954. Everyone in a position of responsibility or risk is looking for guidance. And I venture to say that at no time in the past has there been such a flood of "informed opinion."

Edwin G. Nourse

*An address by Dr. Nourse to the Minnesota Retail Hardware Association, St. Paul, Minn., Jan. 19, 1954.

As for myself, I wince whenever I hear references to economists "looking into their crystal ball," and I blush with professional shame whenever economists engage in the guessing games that result in flat predictions of prices, production activity, employment figures, interest rates, or what-not in fixed percentages at specified dates. If the economist can give the businessman, the legislator, and the citizen a clearer understanding of what factors are important in making or marring general prosperity or private business success; if he can measure and evaluate trends in these factors, and suggest practical alternatives in adapting ourselves to them or changing their course or magnitude, then he has performed his full professional duty and he had better refrain from trying to outguess the actual behavior of 160 million free men as workers, as spenders and savers, and as managers—lawmakers and administrators, too.

In this modest role then, I propose to talk with you briefly about a few major factors in the present business picture and of how two divergent groups of business analysts reason from these facts. Then I want to say a few words about what we can do to escape the dangers and to achieve the favorable possibilities of this coming year.

The Optimistic Majority

As I read "the sense of the meeting" expressed in December reviews and January previews, the prevailing sentiment is optimistic. Again and again it is put in substantially these words: 1953 was the biggest and best year this country ever had. Indexes of employment, output, consumer income, and business profits made new high marks or matched previous records. Prices stopped their inflationary climb and in some areas eased the pressure on buyers. And we are still going strong. As one high government official put it: "The American economy is strong as a bull pup."

Here and there 1953 is referred to as having been a year of "adjustment" — inventories brought into better balance, interest rates freed without running wild, the transition made from a sellers' to a buyers' market with practical stability of prices, credit expansion checked without a turn to abrupt or forced liquidation. Business leaders are confident, government is reassuring, consumers are unruffled.

The second verse of this lyric is: 1954 will be as good as 1953 or only slightly off. "Slightly" was at first explained as 3 or 4% to perhaps 7 or 8% down; now one hears more of a 10 or even 15% dip—but still "pretty good business." This easing is supposed to take place in the first half of the year as completion of a "normal" adjustment process, with recovery in the second half of the year. Or, if the last two quarters do not show a rebound, it will merely be deferred to early 1955.

A third stanza of the song of the easy optimists runs: "There is no reason for a recession unless we talk ourselves into it." Hence anyone who persists in raising questions about the simplicity and certainty of this non-recession or "rolling adjustment" thesis (already more than half completed) is branded as a spoil-sport if not a subversive.

Personally, I am not too much disturbed by such a charge. Several months ago I said to an audience of bankers: "It is my conviction that no one can scare a sound economy into a depression and that Polyanna cannot beep business errors and government subterfuges from facing an ultimate day of reckoning. We stand a better chance of checking recession before it gets out of hand and of initiating real and timely recovery measures if we unshrinkingly dig out and face the facts, however unpleasant. Only so can we be prepared for any storm that may break, instead of being caught unprepared."

And the other day Senator Paul Douglas, a professional economist and past President of the American Economic Association, put the matter even more bluntly, saying: "We should not be frightened but we should be alert. And the watchman who gives a warning to the people in due time so that they can protect their interests is serving the public more faithfully than he who administers sleeping tablets to get people to believe that all is well and nothing need be done—only to find that the danger later bursts upon an unprepared public."

I take it for granted that, as believers in the strength of the free enterprise system and the immense richness of our American economy, you are not frightened but that, as prudent businessmen, you do intend to be alert to real problems and to your part in meeting them. Let us then examine the reasoning that different people are applying to the state of facts by which we are now confronted.

Was 1953 as Good as It Looked?

The principle of "momentum" is relied upon by many who are complacent about the prospects for 1954. They say: "The year just closed was one that showed anew the great productive capacity of the American economy. The people never earned so much, and they are still well employed at still rising wages. Profits are at or near a peak, and businessmen are planning to make large investments for expansion and improvement in 1954. The people never had such great savings and they are still spending freely. All these things assure us another prosperous year ahead, maybe even better than 1953, surely not much below it."

In considering this matter of momentum, it is well to consider two points. First, just what forces gave power to the movement? Second, we must consider not merely the average for the whole year or the peaks attained at some time during the year. We should ask also whether the movement was gaining further power at the end of the year, or was it losing speed or force.

As to where the power came from, we might ponder whether all the drive that made prosperity records in 1953 came from current sources or from past or future strength. Such an analysis would shed light on whether things that contributed to the vigor of business in 1953 are things that can be counted on to continue for some time or whether they were special one-shot stimuli that will not be present this year and next.

Three points may be made here. First, one thing that made last

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Bank and Insurance Stocks

By H. E. JOHNSON

This Week — Bank Stocks

Condition statements of New York banks at the end of 1953 showed only minor changes in the principal balance sheet items.

Individual banks showed variations in deposits, loans and holdings of U. S. Government securities and in some cases they were substantial. On the whole the trends were far from uniform and some institutions actually showed gains in each category while others reported lower totals.

Deposits of the 16 major institutions showed a decline of 1.5%. Lower totals by some of the larger banks offset increases by five institutions including Bankers Trust, Irving Trust, Bank of Manhattan, Corn Exchange, and J. P. Morgan.

A similar pattern was followed with respect to total resources although Bankers Trust among the five showing higher deposits was not able to show a gain in resources.

A tabulation showing the 16 major New York banks according to size as determined by total resources is presented below:

	Total Resources —December 31— 1953	1952	Deposits —December 31— 1953	1952
	—000—		—000—	
*National City	$6,185,113	$6,256,961	$5,637,129	$5,717,825
Chase National	5,562,461	5,742,731	5,062,087	5,247,000
Guaranty Trust	2,972,599	3,149,028	2,520,952	2,625,365
Manufacturers Trust	2,933,113	2,948,975	2,699,399	2,726,495
Bankers Trust	2,133,918	2,136,753	1,907,576	1,906,998
Chemical Bank	2,006,637	2,048,195	1,816,213	1,881,391
Hanover Bank	1,842,154	1,849,200	1,656,719	1,676,834
Irving Trust	1,487,397	1,414,353	1,323,865	1,263,910
Bank of Manhattan	1,435,342	1,388,083	1,298,607	1,269,322
Corn Exchange	830,021	824,695	774,713	770,916
Morgan, J. P.	797,390	753,808	687,571	671,242
New York Trust	773,727	807,265	678,684	718,135
First National	730,760	754,096	579,883	553,436
Public National	546,341	557,273	490,903	504,607
Bank of New York	463,948	479,528	412,374	430,222
U. S. Trust	186,717	195,207	150,921	159,794

*Includes City Bank Farmers Trust Company.

As can be seen from the above totals, J. P. Morgan was the only bank to alter its standing so far as size is concerned. By increasing deposits and total resources Morgan advanced ahead of New York Trust. The others maintained their relative positions with National City the largest bank in New York in terms of resources and deposits by a sizable margin. It is interesting to observe, however, that the Chase Bank has a larger volume of loans outstanding.

Total loans and discounts for the 16 banks were almost unchanged from the previous year-end. The decline averaged only 1.0%. Actually eight or half of the banks reported larger outstandings.

The number reporting an increase in holdings of U. S. Government securities was nine with the average increase for the 16 banks amounting to about 1.0%.

A comparison of loans and discounts and holdings of U. S. Government securities at the end of the last two years follows:

	Loans and Discounts —December 31— 1953	1952	U. S. Gov. Securities —December 31— 1953	1952
	—000—		—000—	
*National City	$2,374,637	$2,274,212	$1,609,482	$1,498,046
Chase National	2,393,667	2,551,938	926,919	1,053,414
Guaranty Trust	1,405,297	1,566,425	742,994	699,309
Manufacturers Trust	917,613	874,945	833,048	805,483
Bankers Trust	987,808	1,011,348	505,190	503,216
Chemical Bank	773,596	823,455	452,735	485,679
Hanover Bank	705,434	690,746	572,230	511,477
Irving Trust	607,671	331,886	373,250	352,585
Bank of Manhattan	622,338	582,867	324,377	312,596
Corn Exchange	215,579	185,242	334,146	342,672
Morgan, J. P.	285,689	297,857	238,457	197,176
New York Trust	327,214	336,646	215,045	224,197
First National	269,330	245,057	170,879	213,122
Public National	258,765	250,174	91,222	116,659
Bank of New York	195,600	212,747	109,758	91,070
U. S. Trust	71,067	54,523	66,478	84,629

*Includes City Bank Farmers Trust Company.

OUR YEAR-END COMPARISON & ANALYSIS of

17 New York City Bank Stocks

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1954 Seen Year of Promise and Opportunities

N. Baxter Jackson, Chairman, and Harold H. Helm, President of the Chemical Bank and Trust Company, New York, point to restoration of flexible money and credit policies, and ban on wasteful government spending as arresting inflation and inaugurating tax relief.

Discussing the economic situation and outlook in his 1953 report to shareholders, N. Baxter Jackson, Chairman, and President

N. Baxter Jackson

Harold H. Helm

Harold H. Helm, of the Chemical Bank & Trust Co., N. Y., stated that business executives have more reason for optimism now than they have had for many years.

Many records were established during 1953, they pointed out, "reflecting the development of many more opportunities for banks to participate constructively in the national economy." During the recent year "a definite trend away from government in business developed; a more realistic rate structure prevailed; a higher level of loans provided a more normal outlet for the employment of funds, and there was a less restricted operation of fundamental economic laws."

Commenting further on the economic picture, the bankers said:

"As business executives begin a new year, the sound thinking and constructive actions of government leaders should be the source of real encouragement to them. Those who have kept faith in the principles of free enterprise have more reasons for optimism than they have had for many years.

"The entire nation, desirous of a free and peaceful world, is grateful for the cease-fire in Korea and recent progress in the field of international diplomacy. The transition from a wartime to a peacetime economy is being based upon the premise that economic strength is fully as important to the nation as is military strength. Restoration of flexible monetary and credit policies, together with a ban on wasteful government spending, have arrested the destructive spiral of inflation and already have given moderate relief to the tax-harried citizen. The long trend toward socialism has been reversed with a curtailment of stringent regulation of business and industry and a change of attitude on the part of government with respect to its own engagement in business — competing with its own citizens on a tax-free basis.

"We anticipate another year of opportunity for enterprise and initiative, and we shall continue to combine our own efforts with those of our customers in developing a more prosperous nation."

Operating expenses of the Chemical Bank for 1953 aggregated $22,632472, leaving net operating earnings, before taxes, of $21,544,708 compared with $18,624,359. Net income for 1953, after taxes and reserves amounted to $11,122,215, equal to $3.98 each on the 2,794,000 shares of capital stock now outstanding. This is equivalent to $4.38 a share, as compared with $3.96 a share in 1952 on the 2,540,000 shares then outstanding.

Business Activity Will Continue Down-Drift

"Business activity will continue to drift lower throughout most of 1954," Dr. Jules Backman, Professor of Economics, New York University, School of Commerce, Accounts and Finance, told the semi-annual Executive Clinic of Felix Lilienthal and Company at the Statler Hotel in New York City Jan. 8.

Dr. Jules Backman

"The recession in business activity which has already started, will bring us down from boom-boom levels to a level just below prosperity. To some extent, this decline will be offset by a reduction in overtime, as is already in evidence. Nevertheless, there will be some increase in unemployment in the months ahead.

"There are numerous signs that the drift of business activity has turned downward. Industrial production, steel production, automobile production, new housing starts, employment, weekly hours worked, and gross national product, all have turned downward from the peaks reached in the second quarter of 1953. The decline will probably continue in the months ahead. On an overall basis, it should be moderately larger than that experienced in 1949."

Dr. Backman pointed out that "the 1949 recession was primarily an inventory recession with the adverse effects offset in part by expanding demand for automobiles and for housing. In 1954, we seem destined to have an inventory recession plus a reduction in the volume of automobile demand and housing. Government spending which increased by $7 billion in 1949, is destined to show little change in 1954.

Adverse Factors

"Among the other adverse factors listed by the speaker were the sharp reductions already experienced in farm income, the sharp rise in private debt, particularly consumer debt, the probable reduction in plant and equipment expenditures from the recent boom time levels, the declining backlog of orders, and a decline in exports as the volume of foreign aid is curtailed.

"As compared with these unfavorable factors, it appears as though government spending will continue to be sustained at about current levels, that personal incomes will decline only moderately, and that the total demand can be sustained by some reduction in the rate of savings. These factors will help to limit the magnitude of any overall decline in our economy, although they will not prevent such a decline."

Institutional Props Not Airtight

Professor Backman pointed out that "considerable emphasis has been given in public discussions to certain institutional changes in our economy which will limit any decline. These changes include farm price supports, unemployment insurance, old age insurance, guarantee of bank deposits, and the probability that Federal revenues will decline more than Federal spending. While these developments may help to provide a bulwark against a substantial cumulative drop in economic activity, they will not stop such a decline. It is important to recognize that they only come into operation when economic activity already has declined. In this connection, it will be recalled that high price supports have not prevented a substantial decline in farm income during the past few years. Moreover, it is important to remember that these factors are still relatively new and untried. Thus, the frequent references to them as evidence that we could not have a recession in business activity, seem to be unwarranted.

"Many persons are saying that all that we will have is a reduction in activity in automobiles, housing and steel. There is widespread hope that decreases in activity in this area will be offset by expansions in consumer expenditures. This would be contrary to most of our experience in the past, since these are the very areas which have dominated past recessions. Reductions in the level of activity in the durable goods areas reduce the level of consumer income generally, and hence usually result in a reduced volume of consumer spending. However, such reductions usually have been smaller than the decreases recorded in producers' and consumers' durable goods."

REPORT OF CONDITION OF

Underwriters Trust Company

of 50 Broadway, New York 4, N. Y., at the close of business on December 31, 1953, published in accordance with a call made by the Superintendent of Banks pursuant to the provisions of the Banking Law of the State of New York.

ASSETS

Cash, balances with other banking institutions, including reserve balances, and cash items in process of collection	$10,066,238.00
United States Government obligations, direct and guaranteed	13,371,988.54
Obligations of States and political subdivisions	1,470,570.23
Other bonds, notes, and debentures	1,811,199.26
Loans and discounts (including $7,850.27 overdrafts)	15,748,796.40
Banking premises owned, None; furniture and fixtures and vaults	94,041.71
Other assets	160,564.18
TOTAL ASSETS	$42,723,398.32

LIABILITIES

Demand deposits of individuals, partnerships, and corporations	$22,373,139.53
Time deposits of individuals, partnerships, and corporations	4,203,235.98
Deposits of United States Government	400,472.95
Deposits of States and political subdivisions	10,485,015.56
Deposits of banking institutions	470,297.47
Other deposits (certificed and officers' checks, etc.)	1,341,376.78
TOTAL DEPOSITS $39,273,538.27	
Other liabilities	280,327.55
TOTAL LIABILITIES (not including subordinated obligations shown below)	$39,553,865.82

CAPITAL ACCOUNTS

Capital †	$1,000,000.00
Surplus fund	1,000,000.00
Undivided profits	1,169,532.50
TOTAL CAPITAL ACCOUNTS	$3,169,532.50
TOTAL LIABILITIES AND CAPITAL ACCOUNTS	$42,723,398.32

†This institution's capital consists of common stock with total par value of $1,000,000.00.

MEMORANDA

Assets pledged or assigned to secure liabilities and for other purposes	$9,117,996.54
(a) Loans as shown above are after deduction of reserves of	34,695.49
(b) Securities as shown above are after deduction of reserves of	161,423.40

I, William D. Pike, Secretary of the above-named institution, hereby certify that the above statement is true to the best of my knowledge and belief.

WILLIAM D. PIKE.

Correct—Attest:

C. W. KORELL
JOSEPH B. V. TAMNEY } Directors
JOHN E. BOOTH

Britain Facing Wave of Strikes

By PAUL EINZIG

Dr. Einzig foresees a series of industrial strikes in Great Britain now that there are no more balance-of-payment crises. However, he points out, since inflation in Britain has been neutralized through decline in world prices of foodstuffs, there is less justification for pressing claims for higher wages, and grants of higher wages would merely initiate a new price-wages spiral.

LONDON, Eng.—It looks as though the year 1954 would bring a number of grave industrial disputes to Britain. Even though some wages claims are likely to be satisfied others are bound to be resisted, so that we are likely to witness a series of strikes. Evidently, the industrial workers and their unions are becoming increasingly insistent on pressing their wages demands, and their demands are becoming increasingly substantial. This in spite of the almost complete absence of a further increase in the cost of living in recent months, and in spite of the growing difficulties of the British export trade. The trades unions, which in the past had been very helpful in restraining unwarranted wages demands appear to have abandoned their resistance to the clamors of their members, either because Communist infiltration has already secured control over their policies, or because their moderate leaders are afraid that they might be displaced by Communists unless they swim with the tide.

Dr. Paul Einzig

The main reason for this increasing pressure for higher wages has been the absence of any economic crisis during 1953. For the first time since the end of the war Britain has been free of any acute balance of payments crisis during two consecutive years. Gratifying as this is, the prolonged absence of a crisis is not an unmixed blessing. For there is good reason for assuming that the relative moderation of trades unions and their members during the first eight postwar years has been largely due to the regular recurrence of a balance of payments crisis every other year—in 1947, 1949 and 1951.

As a result of this biennial crisis, Britain was, until recently, all the time either obviously heading for a new crisis, or she was actually in the middle of a crisis, or she was just recovering from a crisis. The intervals between the recovery from the last crisis and the development of a new crisis were too brief to allow time for putting forward big wages demands and pressing them home successfully. There were, of course, wages increases, but they were more or less in proportion to the rise in the cost of living.

Higher wages were granted as part of the process of non-stop "creeping" inflation. Now that this inflation appears to have become neutralized through falls in world prices of foodstuffs, there is less justification for pressing wages claims, and it has become more difficult for employers to grant such claims. So long as the rise in prices continued unabated they preferred to take the line of least resistance by granting the demands rather than risking strikes by resisting them. Now that it is no longer possible as a matter of course to pass on to the buyer the cost of higher wages, the unions encounter stiffer resistance.

The reason why during the past eight years employers found it possible to work profitably in spite of ever-increasing wages was partly the non-stop inflation and partly the relative restraint of wages demands. Owing to the new industrial balance of power under full employment, the workers might have been able to exploit their scarcity value to a far greater extent. They did not take full advantage of their strong bargaining position, because of the frequent crises or threats of crises. They realized that amidst prevailing conditions any excessive wages demands would have aggravated the crises, and that sooner or later this would have recoiled on themselves. Hence the relatively favorable response to exhortations by the Socialist Government between 1945 and 1951. Even under the Conservative Government it was possible, until recently, to secure a moderation of wages demands, through an appeal to the public spirit of the workers, so long as the balance of payments position appeared to be precarious.

Now that, owing to the prolonged absence of another crisis, the fears of a crisis have subsided, wages demands have increased accordingly. In 1951-52 the threat of a depletion of the gold reserve and of the resulting fall in raw material imports provided a reasonably adequate deterrent for exaggerated demands. It was feared that in a matter of months large-scale unemployment might result from the balance of payments crisis, and it was, therefore, possible to persuade the workers to do their share towards the solution of that crisis by abstaining from pressing for too high wages. Even during the earlier part of 1953 there was much talk about an autumn crisis, possibly because it was widely taken for granted that there must be such a crisis every other year.

The autumn of 1953 has come and has gone, however, without a new crisis. As the year wore on the wages demands were becoming increasingly insistent. Some of them had to be met to a large degree, others are pending at the time of writing. It seems that the longer is the time that has elapsed since the last crisis the more firmly the workers and their unions are becoming convinced that there is no danger of another crisis. They, therefore, feel increasingly justified to take full advantage of their strong bargaining position.

Yet even from their own point of view, as distinct from that of the general economic interests of the country as a whole, it is very short-sighted on their part to abandon their former commendable self-restraint. For the first time since 1939 there is now a chance to resist inflation successfully. But if a new wages spiral is set in motion in spite of the halt in the rise in prices we have to accept creeping inflation as an integral part of the system of full employment and the welfare state. It will then be difficult to escape the conclusion that a frequently recurrent crisis is an essential part of the machinery of checks and balances that secures the working of full employment and the welfare state. Indeed such crises are bound to be more frequent than the crises in the classical business cycles. The latter had recurred once in about seven years. It seems that under present conditions crises are liable to be much more frequent.

The result of the present wave of wages claims will be domestic inflation and a deterioration of the balance of payments. While inflation as such could proceed unchecked, a balance of payments crisis would tend to correct the tendency of excessive wages claims. It seems, therefore, that we are justified in defining the existing system in Britain as the "welfare state tempered by frequent crises."

Customer-Broker Arbitration Agreements Voided By United States Supreme Court

High Court rules investors are not bound by Mediation Agreements entered into in advance.

In a recent decision the United States Supreme Court has ruled that agreements entered into before the purchase of securities whereby customers agree to submit to arbitration any disputes that may subsequently arise between them and their brokers, are invalid and unenforceable as prohibited under the Securities Act of 1933. In the 20 years since the enactment of the Securities Act and the establishment of the SEC, such provisions have been assumed to be binding, and the point was first raised by Anthony Wilko (a purchaser of Air Associates, Inc., common stock from Hayden Stone & Company), and his attorneys, Richard H. Wels and Henry E. Mills, of New York City. Both Wels and Mills are former SEC attorneys.

In the course of its 15-page opinion (from which Mr. Justice Frankfurter and Mr. Justice Minton dissented), the Supreme Court, through Mr. Justice Reed, commented: "Two policies, not easily reconcilable, are involved in this case. Congress has afforded participants in transactions subject to its legislative power an opportunity generally to secure prompt, economical and adequate solution of controversies through arbitration if the parties are willing to accept less certainty of legally correct adjustment. On the other hand, it has enacted the Securities Act to protect the rights of investors and has forbidden a waiver of any of those rights. Recognizing the advantages that prior agreements for arbitration may provide for the solution of commercial controversies, we decide that the intention of Congress concerning the sale of securities is better carried out by holding invalid such an agreement for arbitration of issues arising under the Act."

In a concurring opinion, Mr. Justice Jackson said that, while he agreed with the court, he would find an arbitration agreement entered into subsequent to the purchase of securities, enforceable.

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Our Reporter on Governments

By JOHN T. CHIPPENDALE, JR.

Despite reports of a rather important amount of profit taking at intervals, there are still plenty of buyers around to absorb the securities that have been appearing for sale. This has given the market the needed fillup to keep it on the constructive side. Also the sellers or profit taker are going right back into other issues because there is the need for keeping income on an even keel if possible. There are likewise the opinions that interest rates will go lower and it is only a question of time before reserve requirements and the rediscount rate are lowered with much more vigorous open market operations also being predicted. These beliefs make for a good market in Treasury issues.

The impending refunding according to money market specialists is quite likely to be a three-way deal with shorts, intermediates and longs being offered in exchange for the maturing obligation.

2½s Taken By Out-of-Town Banks

The demand for government issues is still very sizable and although there appears to be a bit more selectivity in the buying than has been the case in the recent past, a large amount of Treasury obligations are continuing to move into strong hands. The commercial banks, mainly the smaller out-of-town institutions which are much more savings banks than deposit institutions, are the leaders again in the acquisition of government obligations. It is reported that the longer-term 2½s continue to be the attractive securities as far as the banks are concerned. It is indicated that the 2½s due 9/15/67-72 has been the bellwether of the group of 2½% bonds which are being bought by these institutions.

The 2½s of 1964-69 have also come in for important buying, according to advices, with not a few of the out-of-town deposit banks being attracted to this obligation. Although there are reports that the 2½s of 1963-68 and the 2½s of 1962-67 have been taken out of the market in fairly sizable amounts by these same commercial banks, it is evident that the 2¼s of 1959-62 have had greater attraction for these institutions than the aforementioned 2½s. This buying is being done in face of the realization that the 2¼s might be vulnerable to the new financing for refunding purposes which should be announced in the very near future.

Profit-Taking in 2¾s

There have been reports of some fairly sizable profit taking by the commercial banks, with the large money center institutions also indulging in this practice to a minor extent. It is indicated that the 2¾s of 1961 have been let out in quite a few instances by the out-of-town banks and while there have been reports of some important sales of this issue, there have been, nonetheless, some sizable buyers in the market for the 1961 obligation. The larger deposit banks and non-bank investors other than pension funds are reportedly the main takers of the 2¾s which have come into the market.

The 3¼% due 6/15/78-83 is another issue in which there is not an unimportant amount of profit taking, according to advices. It seems as though the sellers have been commercial banks, the large ones as well as the small ones, in not too heavy volume, however, but of sufficient size to be worth noting. There has been, likewise, selling by non-bank investors in the longest 3¼s and while not in too large amounts, it has at times been a factor in the market. On the other hand, the buying in the 3¼s has been and still is of very good quality in spite of the fact that prices either have been making new highs or are close to them. State funds, and private pension funds are reportedly the principal buyers of the longest government bond as they have been for sometime.

Intermediates Losing Favor

The intermediate term issues are also being bought by the smaller commercial banks but the amount and size of the transactions have decreased noticeably because there is more of an inclination now to wait and see what the Treasury might do in the way of a middle term obligation in the refunding that is facing the market. There is, however, still the good-sized order from time-to-time for certain of the discount intermediate term issues because of the attraction that is attached to a security selling under the par level.

Short-Terms Still Attractive

The short-term issues are the most active ones in the market and still supply the greater part of the volume in Treasury obligations. They have been, however, overshadowed by the attention that is being paid to the longer-term obligations because the tendency now is to lengthen maturities. Nonetheless the volume and activity in the more distant maturities is not yet comparable to what is being done in the shortest term issues.

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Junius Close With Van Alstyne, Noel

Van Alstyne, Noel & Co., 52 Wall Street, New York City, members of the New York Stock Exchange and other leading Exchanges, announce that Junius B. Close is now associated with the firm as Manager of the Institutional Department. He was formerly associated with Cohu & Co. in that firm's Institutional Department.

Maynard Director

Richard S. Maynard has been elected to the Board of Directors of National Investors Corporation and Whitehall Fund, Inc., according to an announcement issued by Francis F. Randolph, Chairman of the Board and President of the two mutual investment companies. Mr. Maynard is a partner in Stillman, Maynard & Co., New York, an investment brokerage firm.

Form Pacific Western Secs.

LOS ANGELES, Calif.—Pacific Western Securities, Incorporated, is engaging in a securities business from offices at 634 South Spring Street. Allen Mansfield is a principal of the firm.

Melvin Scoville Opens

SEATTLE, Wash.—Melvin J. Scoville is engaging in a securities business from offices at 3057 43rd Avenue, West.

Webster Opens Office

SEATTLE, Wash.—Shailer F. Webster is conducting a securities business from offices in the Marion Building.

Edwin I. Connor

Edwin I. Connor, member of the American Stock Exchange, passed away Jan. 18 at the age of 85. Mr. Connor was a former Governor of the Exchange and had been a member since 1911.

Ashbel Green

Ashbel Green, a well known figure in Wall Street, and a Secretary of the New York Stock Exchange for eight years until his retirement in 1936, passed away Jan. 18 at the age of 84.

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NEWS ABOUT BANKS AND BANKERS

CONSOLIDATIONS
NEW BRANCHES
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REVISED CAPITALIZATIONS

At the annual meeting of shareholders of **The Public National Bank and Trust Company of New York** held on Jan. 19 present directors were reelected. Approval was voted of the payment of the proposed stock dividend of 15% effective Feb. 15, 1954, in connection with which transfers will be made from undivided profits to increase total capital and surplus from the present amount of $30,050,000 to $32,500,000, after which undivided profits will be in excess of $10,000,000. The shares outstanding will increase from 756,250 to 870,000.

* * *

The appointment of Cornelius A. Lowe and Karl Wolff as Assistant Vice-Presidents of **Manufacturers Trust Company, New York**, was announced by Horace C. Flanigan, President.

In December, 1916, Mr Lowe joined the Chatham Phenix National Bank and Trust Company, which merged with Manufacturers Trust in 1932. Mr. Lowe was appointed an Assistant Secretary in 1944. He is assigned to the 149 Broadway Office (New York City).

Mr. Wolff came to Manufacturers Trust in January, 1943. In 1948, he was advanced to Assistant Secretary. Two years later he was appointed Officer-in-Charge of the 84 Broadway Office (Brooklyn, N. Y.). Mr. Wolff will continue his duties at the 84 Broadway Office.

* * *

The Corporation Trust Company, New York

	Dec. 31, '53	June 30, '53
Total resources	$2,465,281	$2,753,539
Deposits	131,366	146,788
Cash and due from banks	1,129,311	1,336,560
U. S. Gov't. secur. holdings	481,175	478,511
Undivided profits	158,890	275,863

* * *

Thomas J. Shanahan, President of the **Federation Bank and Trust Company, New York,** announced on Jan. 18 the following executive promotions: Joseph L. Wilson, elected to Vice-President and to continue as Secretary of the bank; Joseph T. Sandleitner, elected Assistant Vice-President; J. Richard Finnegan, to Assistant Treasurer; Frederick K. Bullard, to Assistant Trust Officer; and Richard C. Bellinger, to Assistant Auditor.

* * *

The Board of Trustees of the **Seamen's Bank for Savings in the City of New York,** has elected John D. Butt, as President, Clarence G. Michalis, Chairman, announced on Jan. 15. Mr. Michalis relinquished the Presidency but continues as Chairman. Other officers promoted by the Board are: Hermann F. Koch, formerly Controller, as Vice-President; Alois Kaufmann, from Auditor to Controller, and Albert E. Crane, Assistant Vice-President to Vice-President.

* * *

John W. Hooper, President of the **Lincoln Savings Bank, Brooklyn, N. Y.**, announced today the election of Henry H. Egly, as a trustee of the bank. Mr. Egly is a Vice-President and Director of Dillon, Read & Co., Inc., where for many years he has been in charge of the syndicating of security issues. He brings to the bank a wide experience in the investment field.

* * *

At the annual meeting of stockholders of **Kings County Trust Company, Brooklyn, N. Y.**, Jan. 18, approval was given for a stock split of two and one-half shares of $40 par value stock for each share of presently held $100 par value stock. A 300% stock dividend on the new stock was also approved.

The result of these actions will be that each stockholder will receive 10 shares of the new $40 par value stock in exchange for each $100 par value stock now held.

The proposed plan was given in the Nov. 26 issue of the "Chronicle," page 2052.

* * *

Edwin P. McGuirk, Assistant Cashier of the **Lincoln Savings Bank, Brooklyn, N. Y.**, and Assistant Manager of the bank's Flatbush office, located at Church and Nostrand Avenues, celebrated his 25th Anniversary with the bank. John W. Hooper, President of the bank, presented Mr. McGuirk with a beautiful wrist watch, appropriately inscribed for the occasion, at a luncheon attended by officers and trustees of the bank.

* * *

Independence Hall on Long Island is the motif of the new **Queens County Savings Bank** Office, 76-02 Main Street, Kew Gardens Hills, which opened on Jan. 15. This is the first time that a replica of Independence Hall has been used as a banking structure.

The Comptroller of the Currency reports that a charter has been issued to **The National Bank of Great Neck**, Great Neck, Nassau County, New York, with a capital of $500,000 and a surplus of $500,000. The President is W. C. Kielmann and the Cashier is L. Walter Schaefer.

* * *

The Depositors Trust Company, Augusta, Maine, has absorbed the **Wilton Trust Company, Wilton, Maine,** effective Jan. 4.

* * *

Leo V. Hammond, Vice-President and Manager of the Pompton Lakes Office of **First National Bank and Trust Company of Paterson, Clifton and Pompton Lakes, N. J.** is assuming new duties as Vice-President at the bank's Market Street Office in Paterson, and Ambrose Donnelly, a Vice-President at the latter office, has been designated Manager of the Pompton Lakes Office, according to an announcement made by F. Raymond Peterson, Chairman of the Board.

Mr. Hammond was for a number of years Executive Vice-President of the North Jersey National Bank of Pompton Lakes. In 1953 this institution was purchased by the First National Bank and Trust Company of Paterson.

* * *

Thomas C. Butler, Treasurer of the Grand Union Company was elected a Director of the **First National Bank and Trust Company, of Paterson, N. J.,** at the annual meeting on Jan. 12.

* * *

The directors and officers of **First Camden National Bank and Trust Company, Camden, N. J.,** announce the election of Burleigh B. Draper as Chairman of the Board of Directors.

* * *

Election of five new Directors of **Commercial Trust Co. of New Jersey**, was announced on Jan. 14 by William J. Field, President.

The new board members are: Charles E. Adams, James J. Boyle,

Richard D. Nelson, William Neumann, Jr., and Edward J. O'Mara.

* * *

The annual meeting of the shareholders of **The Philadelphia National Bank, Philadelphia, Pa.** held on Jan. 19, voted to merge with **The First National Bank of Lansdale, Chester-Cambridge Bank & Trust Co. of Chester** and **Montgomery National Bank of Norristown.**

Under the terms of the three merger agreements Philadelphia National will exchange two shares of its stock for each three shares of First National of Lansdale and Chester-Cambridge Bank & Trust, and seven shares of its stock for each share of Montgomery National.

Simultaneously, in both Chester and Norristown, shareholders of Chester-Cambridge Bank & Trust and Montgomery National on the same day also overwhelmingly cast their votes of approval to merge with Philadelphia National. The First National of Lansdale shareholders approved their merger agreement a week ago, when more than 97% of the stock voted in favor of the merger with not a single share dissenting.

The plans for the merger were given in the Dec. 17 issue of the "Chronicle" page 2458.

Frederic A. Potts, President of the Philadelphia National, announced that J. H. Ward Hinkson, prominent Chester attorney and presently a Director of Chester-Cambridge Bank & Trust, was elected to the Board of Directors of Philadelphia National. Upon completion of the mergers, all employees of the three banks will become employees of the enlarged bank and continue to serve at their present posts.

Mr. Potts added that Douglas R. Faith, President of Chester-Cambridge Bank, and W. Frederic Zimmerman, President of Montgomery National, will be elected Vice-Presidents of The Philadelphia National Bank in charge of their offices and present Directors of their banks will serve as advisory committees. In Lansdale, Irwin G. Lukens, President, and W. H. Rosenberry, Vice-President, will retire as officers but will be temporarily retained by Philadelphia National on a special basis, and Paul G. Hartman, Cashier, will retire on Jan. 31. W. H. Weingartner will become an Assistant Vice-President of the enlarged bank. The Lansdale directors, Mr. Potts stated, will also serve Philadelphia National as an advisory committee.

* * *

Two new directors were elected to the board of **The Pennsylvania Company for Banking and Trusts, Philadelphia, Pa.** at the annual meeting of stockholders on January 18. They are Robert H. Smith, President of the Norfolk and Western Railway Co., and William F. Kriebel, Senior Vice-President of the bank.

At the subsequent organization meeting of the board, William M. David retired and his place as Senior Vice-President in charge of the Trust Department was taken by Robert A. Wilson.

Albert W. Whittlesey, Vice-President, was advanced to Senior Vice-President by the board, and William Potter Davis, 3rd, and Charles H. Miller, Assistant Vice-Presidents, were named Vice-Presidents.

Other executive promotions approved by the board were: Edward J. Cade, Harry Schwartz and Ritter D. Young, from Assistant Treasurer to Assistant Vice-President; Albert J. Drueding, Clayton McElroy, Jr., and Robert K. McInnes, from Assistant Trust Officer to Trust Officer; George Smith, from Corporate Trust Officer to Assistant Vice-President; Henry J. Wylie, from Assistant Corporate Trust Officer to Corporate Trust Officer; and Earle J. Hinkle, from Assistant Treasurer to Assistant Comptroller.

Six new Assistant Treasurers were named. They are William H. McCloud, Daniel S. Bastian, Raymond J. Keller, Charles A. Shermer, Robert H. Woodside and Rebecca S. High.

* * *

Stockholders of **Provident Trust Company of Philadelphia, Pa.** at their annual meeting on Jan. 19 elected Albert S. Corson, Vice-President of Philadelphia Electric Company, to the Board of Directors of the bank.

* * *

Stockholders of the **Equitable Trust Company of Baltimore, Md.,** approved the proposal to increase the bank's authorized capital stock from 150,000 shares of $10 par value to 177,500 shares of $10 par value. The board of directors following the action of the stockholders voted to distribute 22,500 extra shares of a stock dividend on Feb. 1 to holders of record Jan. 13. One share will be distributed for each 6⅔ shares held, equivalent to a 15% stock dividend.

* * *

At a meeting of the board of directors of the **National City Bank of Cleveland, Ohio,** held on Jan. 12, the dividend on the bank's shares was increased from 90 cents semi-annually to $1 payable 50 cents on Feb. 1, 1954, to holders of record Jan. 18, and 50 cents on May 1, 1954 to holders of record April 16.

At the meeting, James M. Dawson, the Economist of the bank, was elected a Vice-President, Russel E. Vunderink, Trust Officer, was promoted to Assistant Vice-President, Robert F. Reinert was promoted to Assistant Branch Manager and assigned to the bank's Lorain Avenue office and Lenore V. Freeman was designated as Trust Officer, the first woman to hold an officership in the bank's trust department.

Mr. Dawson has served as Economist since he came to the bank in September, 1948. Previously he had been with the Federal Reserve Bank of Cleveland.

Mr. Vunderink came to the bank as an Estate Analyst in April, 1949, and was named Trust Officer in April, 1951.

* * *

The annual stockholders meeting of **The South Shore National Bank of Chicago, Ill.,** held on Jan. 12, Mr. Walter T. Meyer, Chairman of the Board and President, announced the re-election of all board of directors with the following additions to the board: Mr. Frank Storm, of Amarillo, Texas, was elected to the board of directors. Mr. Raymond P. Duffy, Vice-President of the bank was also elected to the board of directors.

At the regular meeting of the board of directors on Dec. 15, 1953, the following changes and additions were made to the official staff: Mr. Aubrey N. Overfield was appointed Vice - President, having formerly held the position of Vice - President and Cashier of the bank.

Mr. Overfield was succeeded as Cashier by Mr. Harold F. Roach. Mr. Roach joined the bank in January of 1953.

Mr. Ralph N. Brauer was appointed Assistant Cashier.

* * *

President Clarence A. Beutel of **The South East National Bank of Chicago, Ill.,** announced the election on Jan. 12 of a new Director, Jerome F. Kutak, Executive Vice-President of the Guarantee Reserve Life Insurance Company of Hammond, Ind.

Kutak succeeds D. Claude Luse, President of Luse-Stevenson Company, who has retired because of illness, after serving the bank as Director from its organization in 1935.

The directors made two new appointments of officers: Ernest W. Kilgore was advanced to Vice-President, and Joseph Wahala to Assistant Vice-President.

Shareholders Jan. 12 approved a 25% stock dividend payable to shareholders of record Jan. 25, 1954. This action increases the capital stock from $500,000 to $625,000, and is in addition to the recent action of the directors transferring $250,000 from undivided profits to surplus, raising surplus to $1,250,000.

* * *

The directors of the **First Wisconsin National Bank, Milwaukee, Wis.,** elected William G. Brumder President to succeed William Taylor who retired because of poor health.

The directors also promoted John S. Owen and Joseph W. Simpson, Jr., First Vice-Presidents to Executive Vice-Presidents. Also promoted to Vice-Presidents were Donald A. Harper, Lowell C. Klug, Samuel E. Callahan and Austin S. Lett.

* * *

Croil Hunter, Chairman of the Board of Northwest Orient Airlines, has been elected a Director of the **Dakota National Bank, Fargo, N. D.**

* * *

Seven promotions were announced and two new officers named at the annual meeting Jan. 12 of the board of directors of **City National Bank & Trust Company, Kansas City, Mo.**

Four new Vice-Presidents include Louis G. Loschke, who has been Cashier; and David B. Cox James F. Mack and Charles W. Koester, who have been Assistant Vice-Presidents.

Succeeding Mr. Loschke as Cashier is Benjamin B. Hanis, formerly an Assistant Vice-President.

R. C. Kemper, Jr., and Robert P. Corbett were advanced from Assistant Cashiers to Assistant Vice-Presidents.

The bank's new officers are Thedore S. Chapman, Corporate Trust Officer, and John Pitnick, Assistant Cashier.

* * *

W. W. McEachern, President of **The First National Bank of Greenville, S. C.,** announced on Jan. 14 the election of Mr. R. E. Ebert, President, Dixie Home Stores, to our Board of Directors.

* * *

The Fulton National Bank of Atlanta, Ga., increased its common capital stock from $2,000,000 to $2,500,000 by sale of new stock effective Jan. 4.

* * *

Harry X. Kelly was elected to the board of directors of **The Hibernia National Bank in New Orleans, La.,** at the annual meeting of stockholders held an Jan. 12, Wallace M. Davis, the bank's President announced. All other directors were renamed.

At the meeting of the bank's directors immediately following the stockholders' session, Mr. Edward D. Finley, Jr., was elected Vice-President and will assume his duties on March 1, 1954.

* * *

The Groos National Bank of San Antonio, San Antonio, Texas issued to its shareholders of record on Jan. 12, rights to subscribe for 25,000 shares of common stock with a $10 par value per share, for $22.50 per share, at the rate of five new shares for each seven $10 par shares held. These rights will expire at 12 noon Central Standard Time Jan. 26.

* * *

Edward H. Cary, Jr., President of Cary-Schneider Investment Co., and son of the late Dr. Edward H. Cary, was elected a Director of the **Republic National Bank of Dallas, Texas,** at the annual stockholders meeting of the bank on Jan. 12, Karl Hoblitzelle, Chairman, and Fred F. Florence, President, announced.

In a subsequent meeting of the bank's board of directors, seven members of the bank's staff were promoted. Promotions were as follows: E. B. Fowler, from Trust Officer to Vice-President; Glenn Facka, Nicholas F. Roberts and George F. Gibbons, from Assistant Vice - Presidents to Vice - Presidents; James E. Magouirk, from Assistant Trust Officer to Trust Officer; Dewey H. Dean, Jr., from Assistant Cashier to Assistant Vice-President, and Otis Wheeler, promoted to Assistant Cashier.

All other officers and directors were re-elected.

* * *

Election of Marsden S. Blois to the Managing Committee of **Bank of America, San Francisco, Calif.,** and to the Advisory Council of the board of directors was announced by President Carl F. Wente following action by the board.

Blois is a Vice - President in loans and investments to the bank, and has been associated with them since 1919.

All incumbent directors of the bank was re-elected.

* * *

The Anglo California National Bank, San Francisco, Cal., opened for business on Jan. 18, Paul E. Hoover, President, announced.

Located at 230 North California Street, between East Channel and East Miner Streets, the new Anglo office, attractive and spacious as it is, will serve as a temporary location for the bank until it constructs its permanent Stockton home on the block-deep site it recently acquired on East Weber Avenue.

Delbert H. Pilliard is Vice-President and Manager of the Stockton office, and Howard E. Langford is Assistant Manager. Until his recent appointment to the Stockton post, Mr. Pilliard was Vice-President and Manager of Anglo bank's office at Red Bluff. Mr. Langford has been associated with banks in San Francisco, Newman, Gustine and Oakland.

The Stockton office is Anglo's 35th in Northern and Central California.

* * *

N. Y. Dealers Dinner: January 28 at Biltmore

The New York Security Dealers Association 28th annual dinner will be held Friday, Jan. 22, at the Hotel Biltmore, beginning at 6:45 p.m. About 400 reservations have already been made.

George L. Collins of Geyer & Co. Incorporated is Chairman of the Dinner Committee.

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Claude Neon alone showed a 1948-1952 sales' growth of 199%, or well over double the others. ***Proof that Claude Neon is the growth leader in these growth industries.***

From the standpoint of net income, Claude Neon has an even more impressive record. The ten companies show an average net income increase for the period of 68%. Claude Neon's net income increased 487%—fully eight times as great as its competitors.

EARNINGS and FINANCES GREATLY IMPROVED

Per share earnings have increased each year from 19 cents in 1948 to $1.02 in 1952. Working capital is up nearly $5,000,000 from June 30, 1948 to June 30, 1953, while total assets increased in the same period from $15,300,000 to $28,200,000.

The company is now in the strongest financial position in its entire history.

FUTURE BRIGHT

Not only is Claude Neon a rapidly growing company in three growth industries, it is also a leader in research in those fields. Fully 400 of its 4,000 employees are recognized as top engineers, mathematicians, scientists and physicists.

As further security for its future, the company possesses a large backlog of orders, and a notably successful management. Claude Neon common stock is actively traded in on the American Stock Exchange. Two dividends of 10¢ each plus a 5% stock dividend have been declared during 1953. Current price is under $5 per share. We believe the growth factors in this company should result in appreciation in the market value of this stock.

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THE MARKET . . . AND YOU

By WALLACE STREETE

In breaking out of a long trading range on the topside, the stock market this week paved the way for a possible test of the old bull market high by the industrialists with the consensus of opinion holding that it will take some time to do so, although averagewise the distance is only a few points.

* * *

Gradually some of the fears over a recession seem to be fading, at least as a market influence. General Motors' vigorous response to the company's announcement that it is backing up its optimism with a 2-year billion-dollar expansion program proved to many of the pessimists that there are still buyers around, even in the blue chips which have carried the ball for the bull swing for better than two years.

* * *

The Oil's Surprising Spark

There is plenty of logic for it, but it was still something of a surprise this week to find the petroleum shares sparking the market. On a cold, analytical basis, the time of cold weather is, by tradition, the time for the oils to enjoy popularity. In that sense it was very logical. But since the oils had been the postwar favorites for many of the mutual funds, the impression had been created that they couldn't do much without new institutional backing. And in view of the demise of the excess profits tax, many other industries that had borne the brunt of this levy were believed to be more in line for investor attention at this time of the new year. About the only expectation that came through was that the accent would be on producers rather than on the companies that have been mired in marketing problems.

* * *

More Steam in the Rails

About all that was left to be desired, at least for the technicians, was for the rails to get a better head of steam behind their own recovery attempt. The carriers have been acting in much better fashion so far this year than they did in the latter half of 1953. But they have to make up half again as much ground as the industrials in points, and even more percentagewise since each point in the rail index is roughly twice the chore of the senior barometer.

* * *

Western roads have been carrying the load so far, with Rock Island, Missouri Pacific, Northern Pacific and Union Pacific somewhat prominent on periods of general market strength. It is no mere coincidence that oil land holdings, present and potential, are a part of the picture where there has been investor interest. Conversely, the Eastern roads have shown little improvement in their months-old laggard ways. Erie, in particular, has been a weakling more or less consistently this week.

* * *

Investor Frustration

But while the technicians are eminently satisfied with the market's performance on their charts, individual investors have found the same old complaint that featured last year and much of the year before—the market is still highly selective and this means the chips are loaded only if they are blue ones. Secondary and speculative issues have done little except where a momentary demand is built around a deal, a dividend, or a rumor. It is doubly frustrating to holders of these to see the averages race into open territory while their issues do little or nothing. But it is a tale that has been going on for a long time and if last September's "signal" of the end of the bull market proves valid, it will make it one of the most unorthodox bull markets in history.

* * *

Even Texas Co., which is usually rated on the list of quality issues, ignored the good oil feeling generally on a couple of sessions this week, one day ending unchanged and the next down a minimum fraction, while the issue, at the same time, succeeded during the session in posting a new high. The stock is no stranger to contrary action. When the postwar oil boom—on the part of the mutual funds—was in full cry, Texas was all but neglected. As a matter of fact, the high point reached by the stock since its 1951 2-for-1 split was achieved in 1952, which hasn't been equalled since although the margin on one swing was a small fraction.

* * *

Phlegmatic Telephone

American Telephone, despite the approaching dilution which will accelerate a trend underway since the end of War II, was almost completely oblivious to the market fluctuations, although in a couple of sessions it approached—for it—the mildly spectacular feat of putting two large fractional plus signs together. The latest debenture issue becomes convertible early next month with an initial flood of actual conversions assured. The issue totaled 30,000,000 shares at the end of the war but since the total has grown to 42,300,000 now, with at least another 6,000,000 to go under the present expectations. It becomes important because the current total requires well past $100,000,000 more to meet the annual cost of the famous $9 dividend. With the inevitable weight of large-scale arbitraging, the issue is in no position at the moment to seriously challenge its $200-plus peak of 1946, much less the $300-plus reached in fabulous 1929. But at present levels it is in a position to joust with its post-1946 best of a shade past $163.

* * *

Steel stocks continued in their new-found path, noteworthy for good stability for a change rather than notorious for their gyrations in tune with the market pendulum. U.S. Steel, Bethlehem and Republic all went their way sedately in marked contrast with their once cyclical-to-the-extreme manner. Only National Steel broke out of the pattern this week with an early dip. While this was only a large fraction, nevertheless it was excessive when measured against the others. Bethlehem, on the other hand, still shows better ability to respond to rallies.

* * *

Utilities, which are within easy reach of a composite high that exceeds anything seen in a score of years or more, ran into a bit of trouble this week. Commonwealth Edison, Consolidated Edison and Delaware Power individually had pushed to new highs for 1953-54, along with some of the preferreds and a couple of other pivotal utilities which, perhaps, explained the momentary setback. A rest, at least, and a moderate bit of profit-taking would be normal after completing a strenuous chore.

* * *

Technical Omens Favorable

Volume indications were favorable, interest increasing on strength and trading idling along on setbacks. New highs continued to outpace new lows by the best margins in roughly half a year. In fact, on a couple of recent occasions only one issue slipped enough to keep the new low side from being a blank. The number of sessions when plus signs ran well ahead of minus ones was stretched to half a dozen by a couple of good performances this week. In short, the omens are favorable with the burden of proof up to the market.

[The views expressed in this article do not necessarily at any time coincide with those of the Chronicle. They are presented as those of the author only.]

AMERICAN & FOREIGN POWER COMPANY INC.

TWO RECTOR STREET, NEW YORK 6, NEW YORK

Notice to All Holders of Unsurrendered Stock Certificates for Preferred Stock ($7), $6 Preferred Stock, Second Preferred Stock, Series A ($7), and Common Stock (old) of
AMERICAN & FOREIGN POWER COMPANY INC.:

On February 29, 1952 the Plan of Reorganization (Plan) of American & Foreign Power Company Inc. (Foreign Power), pursuant to Section 11 (e) of the Public Utility Holding Company Act of 1935, became effective.

Pursuant to the Plan, all rights of all holders of the Common Stock (old) and of the the Preferred Stock ($7), $6 Preferred Stock and Second Preferred Stock, Series A ($7), including the right to all accumulated and unpaid dividends on such Preferred Stocks, have been revoked, abrogated and cancelled except such holders' rights to receive, subject to the terms of the Plan and within the time limit therein provided, the new securities of Foreign Power allotted to them by the Plan and such other rights of such holders as are specified in the Plan.

Holders of certificates for such Preferred Stocks and for such Common Stock (old) who surrender same prior to the expiration of six (6) years from February 29, 1952, to the Exchange Agent appointed under the Plan, will receive in exchange the new securities of Foreign Power and the cash (if any) to which they are entitled under the Plan.

Notice is hereby given that the Plan provides that no stockholder of Foreign Power who shall fail to claim the securities or the cash to which he is entitled pursuant to the terms of the Plan prior to the expiration of six (6) years following February 29, 1952 shall be entitled to receive any part of said securities or the proceeds thereof or any other cash to which such stockholder may have been entitled under the Plan.

Copies of the form of Letter of Transmittal which must accompany certificates representing stocks when surrendered and other material relating to the Plan may be obtained from Bankers Trust Company, Exchange Agent, Corporate Trust Department, 46 Wall Street, New York 15, New York, or from the Company.

Dated: New York, New York, January 21, 1954.

AMERICAN & FOREIGN POWER COMPANY INC.
By W. S. ROBERTSON, *President*

Securities Salesman's Corner

By JOHN DUTTON

Ego Makes the World!

If you can understand just one thing and you can approach every prospect with whom you attempt to do business in such manner as to emphasize the importance of this one simple fact, your success as a salesman should be 90% assured. That fact is—to the other fellow, his life, his work, his wife and children, his health, his fortune, and **what others think of his ability**, are the only things in the world that **come first** with him. There is nothing new about this—but the way some of us go through life forgetting this very fundamental trait that all human beings seem to possess to a greater or lesser degree, there is little wonder that there is so much needless friction between people. When it comes to salesmen, any man who forgets the importance of thinking and talking in terms of **the other fellow's world**, is sure to regret it.

A psychiatrist said the other day on a popular radio program, that there are two things that a man needs, first, he wants to be socially accepted and secondly, he wants to feel that he has a certain degree of skill and ability. He was giving advice to young ladies regarding the essential sale they all seem to make sooner or later. This same advice applies to relationships between husbands and wives, employers and employees, and most certainly between **you and your customers**. People want to have confidence in your knowledge and your capacity as an advisor on investments, but they also want you to look upon their interests and their abilities with understanding and respect.

Exaggerated Ego

I once developed an account that was quite profitable just by allowing this man to throw his weight around. He was a former member of the Stock Exchange and he had retired. He had amassed considerable wealth and took pleasure in making gifts to charitable institutions, especially

when the announment later appeared in the papers. The first time I offered him some bonds he practically read me a lesson in the ABC's of underwriting procedure, rating systems, and most of it was information that I had learned years ago. It was obvious that he was having a wonderful time and I patiently listened to him expound his knowledge. As a result he began to like me. He bought some bonds and at a later date he bought some other issue. Each time he went into another phase of the securities business and I patiently yessed him and listened. He kept on buying. By now he even began to remember me when I telephoned.

One day I wrote him and asked him if he would give me an opinion on an issue I wanted to offer to my clients (it was attractive in my judgment). He did and he bought some of the bonds for his own account. Now I was friendly enough so that when I had an interesting offering I could reach him by telephone **no matter how busy** he might have been.

This man wanted someone to appreciate the fact that **he knew something about securities and that he was successful.** His inferiority complex had never been eradicated even though he had amassed a huge fortune and was successful in his work. Not all people have this weakness to such great extent, but it is the rare bird who doesn't respond to a genuine show of interest on your part **in his affairs.**

Make Notes on Your Cards

One of the most tactful ways to show interest is to remember the names of customers' and prospects' children, wives, etc. Also, other facts about them, such as honors they have had, birthdays, etc. Write these things down, then when you are talking with them ask questions about things in which they are interested. This isn't being a hypocrite—not in my book any way. People are funny, they say—O.K., so we are. Then why not do and say the things that help along as we journey down life's byways. If all of us are hungry for a little showing of appreciation and a pat on the back why not pass it along. The salesman who sells friendship is never without customers.

And others like to help us — that's another way to make friends and create good will. I have a friend who is a customer's broker with a competitive firm. He's a nice fellow; always accommodating, and I give him some business when I can. The other day he called me and told me that his son-in-law had opened a good restaurant in my neighborhood and he would appreciate it if I took my family there some evening and tried it out. He also asked me if I liked the place if I **would do him a favor and recommend it.**

Several months went by and one evening I went to this restaurant. I asked for the proprietor and a pleasant young fellow came out to see me and I told him, "George sent me." He was very pleased and gave us special attention. When I got up to pay the bill he said, "There is no charge, my father-in-law told me to expect you and he insists on paying your bill." Don't you think I like helping George, his nice son-in-law, and giving him some business when I can? And I've recommended the restaurant, too —the food's delicious.

Baker, Simonds Adds

(Special to THE FINANCIAL CHRONICLE)

DETROIT, Mich. — John S. Logan has been added to the staff of Baker, Simonds, Buhl Building, members of the Detroit Stock Exchange.

Colt Urges Reduction in Reserve Requirements

President of the Bankers Trust Company of New York also tells shareholders the higher required reserve of New York and Chicago banks is outmoded, since large financial centers are no longer important holders of reserve balances of out-of-town banks.

In his annual report to stockholders, S. Sloan Colt, President of the Bankers Trust Co., in New York, urged both a further reduction in required bank reserves and an end of the differential imposed on New York and Chicago banks, now classed in the National Banking Act as reserve city banks. In his report, in which he commented on the business outlook, he stated:

S. Sloan Colt

"The widespread optimism of a year ago regarding the business outlook appears more recently to have been replaced by a general feeling of moderate confidence tempered by caution. Many businessmen expect a further intensification of competition and lower levels of production and sales in 1954, but, as always, the elusive international situation obscures the outlook. Our task in banking obviously cannot be to foretell the future, but to be certain that we are ready and equipped to meet the problems that continue to arise in our constantly changing economy.

"If the slackening in the rise of bank loans in the course of 1953 is a portent, the marked expansion of lending activity that characterized the past several years may be reaching its end. However, lending is likely to remain on a comparatively high level, since our economy will continue to need an enormous volume of bank credit. The Treasury's borrowing requirements will continue large, and the commercial banks may be expected to increase their holdings of government securities in 1954. Unless inflationary pressures should reappear in the year ahead, bond yields are not likely to return to the levels of mid-1953.

"In recent years, the Federal Reserve authorities have made considerable progress in reestablishing flexibility of interest rates. This is a prerequisite to an effective credit policy. No one level of interest rates is appropriate at all times; rather, rates must be free to move with changing economic conditions. Our concern in banking is for a level of rates which is conducive to sound economic growth, which encourages saving, and which helps keep stable the purchasing power of the dollars that our depositors and our stockholders have entrusted to us.

"Despite the decrease in member bank reserve requirements in 1953, these requirements are still at a general level established when inflation, and the fight against it, was the order of the day. Now the money supply no longer appears excessive in comparison with the dollar volume of production and trade. While reserve requirements should assuredly not be changed in response to temporary variations in credit conditions, it seems inconsistent with a flexible credit policy that reserve requirements be maintained around a level inherited from a basically different economic climate. Furthermore, since reserve requirements at present are not too far below their legal limits, a reduction in requirements would provide increased scope for the use of this credit control measure when and if inflationary forces reassert themselves.

"Another consideration is that under the present system, most member banks in New York and Chicago are required to keep substantially higher reserves than those in other cities, or the country banks. This differentiation dates from the time when banks in the large financial centers were important holders of reserve balances for out-of-town banks, and has little validity today. It is therefore to be hoped that if economic trends in 1954 make appropriate an easing of credit, the Federal Reserve authorities will take the opportunity to give active consideration to eliminating an outmoded differentiation in member bank reserve requirements and re-establishing these requirements at a realistically lower level based on types of deposits rather than on geography.

"While the policies of the Treasury and the Federal Reserve will continue to have an important bearing upon our future operations our growth and earning power depend in good part upon the ingenuity, enterprise and hard work of the company's management and staff. In developing these resources, our basic goals are, first, to initiate new types of services designed to meet the expanding needs of our modern economy; second, to improve the quality of our services to individuals and the business community; and third, to make our operations more efficient and thereby more economical. The major steps in this program have been described in this report and in our Annual Reports for previous years. The results so far are encouraging, and I believe that Bankers Trust Co. can look forward to further benefits from these efforts over the years."

Charles Kimball Joins Wellington Company

The appointment of Charles E. Kimball as the southwestern representative of Wellington Company, national distributors of Wellington Fund, is announced by A. J. Wilkins, Vice-President of Wellington Company.

Charles E. Kimball

Mr. Kimball will represent Wellington in the States of Kansas, Texas, Oklahoma, Louisiana, Arkansas and Colorado. He has been associated with the investment business since 1928 and has been actively engaged in the mutual fund industry since 1947.

Mr. Kimball will make his headquarters in Dallas, Tex.

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Business in 1954

By W. W. CUMBERLAND

Partner, Ladenburg, Thalmann & Co., New York City

Dr. Cumberland, basing his views on continued high level production in heavy industries, along with better tax and fiscal situations, holds 1954 is likely to be a year of good business. Foresees completion of economic adjustments before the year's close, and indications of even greater prosperity ahead.

In the American economy prosperity is largely a derivative of heavy industry. If heavy industry is prosperous, the nation is prosperous. Hence the outlook for heavy industry is the key to 1954.


W. W. Cumberland

Competent studies have indicated that outlays for new plant and equipment will only be slightly less than the record breaking level of 1953. A good year in residential starts is indicated and considerably more attention should be paid to repairs and modernization of existing residences. Commercial construction and public construction will continue at high levels. Thus the entire construction industry should at least represent a strong sustaining force for the economy.

In automobile production the outlook is less favorable, although the first quarter and probably the first half will report output of new cars and trucks about in line with similar periods of 1953. If the existing downward tendency in the economy levels off or is reversed by the middle of this year, automobile production might be satisfactory in the second half. In any case, production for the year will represent one of large outturn, though definitely smaller than for 1953.

Fiscal authorities are given some indication that depreciation rates may be increased for taxpayers, and this would be a definitely stimulating factor. Furthermore, heavy industry has been one of the principal contributors of excess profits taxes, and expiration of this levy should further stimulate corporate expenditures from internal sources.

From the consumption angle, the outlook is quite reassuring. Employment has been above reasonable expectations for several years, with both nominal and real wages exceeding previous levels. Liquid funds of individuals have never been so high, which indicates that the demand for both consumption goods and for services should remain strong for a substantial period of time.

Inventory accumulations and borrowing on consumer credit got somewhat out of hand during 1953, but a downward trend in inventories is now apparent, and many competent students believe that we have seen the peak in consumers' finance. Instead of being red flags, as they were in 1953, improvement in these two respects should contribute to confidence and to renewed demand for goods during 1954.

Many persons are now disturbed about commodity prices, notably agricultural prices. As a matter of fact, commodity prices have now leveled off, and there are a few mild indications of recovery. Even prices of farm products have not declined for several weeks, and definite improvement has replaced chaotic conditions in livestock prices.

Thus most of the pressure from declining commodity prices, both domestic and international, may well have been removed, and if this proves to be correct it would have a most helpful influence in limiting contraction of business and eventually reversing the trend.

There can be little doubt that international conditions have improved over the last year and bid fair to make further improvement in 1954. One year ago the economy of the world was distinctly unsteady, with a tendency toward deterioration. Stabilization has now occurred, with definite indications of quiet strength in a considerable number of countries. Hence the readjustment now taking place in the United States is not likely to cause a vicious downward spiral in the rest of the world. On the contrary, sustained strength abroad may be a supporting factor for the United States.

Government expenditures have been substantially decreased accompanied by lower taxes, thus affording individuals and corporations the opportunity of spending more of their own money. All previous experience indicates that this action is a powerful stimulant toward economic expansion.

Thus 1954 is likely to be a year of good business, with completion of the economic adjustment before its close and with indications that even greater prosperity lies in the future.

Our Reporter's Report

Strong emphasis continues on the side of demand in the investment markets both as concerns new issues and seasoned securities. Put in the words of one experienced observer "everyone wants to buy everything."

The current situation contrasts with that prevailing only a few weeks ago, toward the end of the year, when new offerings found the going hard to say the least. In that interval perhaps as many issues were finally cut loose by sponsors as moved out at the issue prices.

Strength in the Government market and the persistent ease in the money market generally, although the latter has not been fully reflected in rates thus far appear to be the motivating forces behind the softening of buyer resistance.

The change that has taken place in the overall picture is best portrayed perhaps by yesterday's bidding for $20,000,000 of first mortgage, 30-year bonds issued by Michigan Consolidated Gas Co.

The bonds were awarded to bankers at a price of 100.10999 for a 3½ interest rate. Only last June, when the company sought bids for the issue, it received a lone tender of 100.125 for a 5% coupon. And this time the company had a choice of four bids.

Moreover, it was indicated that the bonds would be taken up quickly upon reoffering after clearance by the Securities and Exchange Commission.

Ohio Edison's Move Out

Investors snapped up Ohio Edison Co.'s $30,000,000 of new 30-year 3¼% bonds in quick time upon opening of the subscription books. In this instance the bidding was close with only a matter of about 37 cents per $100 separating the top from the lowest bid.

And to make the situation more interesting to two groups, occupying the position of runners-up, came into a dead-heat both entering bids of 101.05 for the same interest rate.

The ultimate sale of this issue was stimulated by the assistance of several good-sized group sales, about $2,325,000 being taken down at the issue price, by the company for its pension funds, and another $1,900,000 by an institutional buyer presumably also for pension funds.

Calendar is Easy

Another thing that is keeping interest strong in the buying side is the relatively easy calendar ruling for weeks ahead. At the moment only one sizable offering is in sight for the week ahead.

This will take the form of a negotiated marketing of $60,000,000 of bonds of the Northern Illinois Gas Co., which is due on the market next Wednesday.

The basic position of the investment market generally is strengthened at the moment by almost a complete lack of inventories in the corporate field. Dealers, as a matter of fact, are plagued at the moment by this very condition. To fill orders they naturally must go to market.

Railroad Securities

Missouri Pacific

With the relief from tax loss selling there has been considerable improvement in the tone of the railroad stock market since the beginning of 1954. Selected strength was particularly noticeable during the closing sessions of last week when the averages advanced to the best levels since early December and practically duplicated the recovery highs established at that time. Apparently there is a growing feeling, based on the rebound in steel operations and cautiously optimistic statements from industry and government officials, that no catastrophic decline in our economy is in prospect. If this is an indication that the psychology of fear has been abandoned it is felt in many quarters that substantially higher prices for selected good grade rail stocks may be witnessed in coming months.

Business has tapered off and for some time car loadings have been running consistently below year earlier levels. Some of the November reports made rather sad reading as compared with November 1952 but wide declines in earnings were by no means universal. Many roads showed their ability to get operating costs quickly and strictly under control. In other instances it is indicated that the drop in earnings may have been due to special circumstances that will be corrected in the immediate future. The November weather was mild and with wage increases apparently imminent it seems possible that many roads continued unseasonably heavy maintenance outlays during the period. This theory seems to be borne out by the many announcements there have been in December and January of substantial layoffs in the maintenance departments. These cutbacks will not be fully reflected in December reports to be released shortly but for the most part will be fully evident in the January reports. It will then be possible to get a much better idea as to how the industry will be able to withstand a recession, and most rail analysts believe that it will afford a pleasant surprise to investors.

One special speculative situation that has been attracting attention again recently has been Missouri Pacific. The junior bonds and old preferred stock in particular have been active and strong. For one thing it is generally expected that within the relatively near term the ICC examiner will release a proposed report on the reorganization. In financial quarters it is the almost unanimous opinion that the report will propose a further increase in the allowable capitalization in recognition of the improvement in the physical plant and the industrial growth of the territory since the last plan was formulated by the Commission. Any increase in the allowable capitalization would naturally mean more favorable treatment for the junior securities.

Another consideration is that the court has recently directed the bankruptcy trustee to confer with interested parties and try and assist in ironing out differences of opinion regarding the treatment of the various securities. This is a new departure in reorganization proceedings under Section 77 of the Bankruptcy Act and has naturally stirred hopes that the settlement may be expedited through compromise. Any meetings to be held for other than organizing purposes, however, will have to await release of the proposed report and indications of what will be recommended in the way of a new capitalization.

While most analysts expect that an increase in the formerly proposed capitalization will be recommended the opinion is not nearly so unanimous that the possible improvement in the treatment of the old preferred will be of sufficient magnitude to warrant the recent strength in the shares. In this connection it is pointed out that interest claims of the junior bond holders have increased steadily since the previous plan was drawn up and that even with the good offices of the bankruptcy trustee the bond holders are not likely to compromise these claims for the benefit of the old equity holders. Furthermore, it is pointed out that while railroad earnings as a whole apparently pushed ahead to new alltime peaks last year the earnings of the Missouri Pacific System companies were off from 1952. For the 11 months through November income available for charges before Federal income taxes for the System declined approximately 23%.

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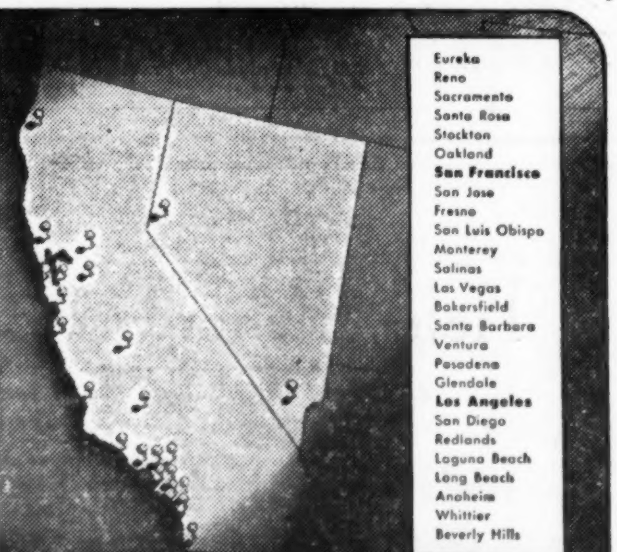

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LETTER TO THE EDITOR:

Dollar Shortage Manifestation of Gresham's Law on World Scale

J. F. Eggelston of London, Eng., takes issue with Professor Harrod's view that, because of universal dollar shortage, restrictions should be imposed on dollar country imports. Attributes "shortage" to operation of Gresham's law concerning "good" vs. "bad" currency.

Editor, Commercial and Financial Chronicle:

I think it only fair to state that there is a coherent body of opinion in the City which does not accept the deductions of Professor Harrod that there is a universal dollar shortage and that discrimination should be exercised against imports from "dollar" countries.

Where there is a free market, there is absolutely no dollar shortage. In Beyrouth, Tangiers, in the Paris "parallel market," dollars can be bought against free currency. It is entirely due to the fact that none of the 65 varieties of sterling is completely free that we cannot buy dollars in every large city from Tokyo to Toronto.

It is not sufficiently recognized in academic circles that the "dollar shortage" is merely the operation of Gresham's Law on an international scale, and it operates whenever two types of currency come into contact either nationally or internationally. In our case, taking the rate of $2.80, the pound is over-valued, and thus becomes a bad currency whilst the dollar, being under-valued, becomes a "good" currency. The "good" currency must then, according to age-old laws, come onto the market in short supply.

Wherever there is currency debasement, the same phenomena occur. The Old Testament and Dante both fulminate against debased currency. In the Middle Ages "strong" and weak currency circulated, with the "strong" currency always scarce. The Greeks, Romans, Gothic, Saxon, Byzantine, Persian and many other civilizations resorted in distress to currency debasement with the self-same results. Then when Henry VIII debased our currency, the genuine pennies of Canterbury became "scarce" so that Henry completely suppressed the Archiepiscopal coinage. With paper currency, it is the "control" which becomes the factor of debasement, for it is obvious that one cannot debase paper in the same way as one can put inferior metal in coins.

Furthermore, this body of opinion in the City of London, where commerce was carried on seven centuries before Oxford emerged from a riverine mud-flat, rejects the whole framework of "discrimination." The City of London flourished, and perhaps I might quote the speech from the throne of the young Queen Victoria in 1844.

"It has been my desire that equal favor should be shown to the industry and commercial enterprise of all nations."

Yours faithfully,

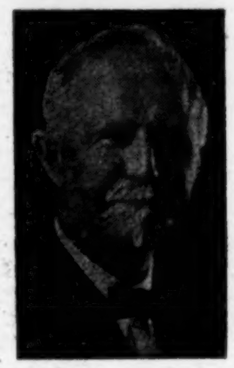
J. F. EGGELSTON,
Lecturer to the City of London Society Limited.
16, Parkfield Crescent,
Harrow, Middlesex, England.
Dec. 17, 1953.

Automatic Merchandising

By ROGER W. BABSON

Mr. Babson, in pointing out advantages of automatic merchandising, sees limitations of use of such machines, because "they do not know the psychology of selling." Stresses importance of advertising, along with good packaging as selling factors for well known brands. Concludes "robots are far from being mechanical gold mines."

As happens every once in a while, stories have been going around which portray a brilliant outlook for the automatic vending machine business. Unscrupulous promoters paint the future in most vivid colors, exaggerating the sales potential and hardly mentioning the operating costs and other problems.



Roger W. Babson

This robot is essentially a supplementary salesman. Automatic vendors do well on low-cost items such as cigarettes and candy, which merchants often sell only as an accommodation. Machines can take over the sale of such merchandise and generally show a small profit. Furthermore, they don't get into the habit of smoking "on the house" as do many employees, and they never ask for a raise or a day off!

Another rapidly growing field where the machines play a valuable role is in supplying snacks where food is not otherwise available. These machines offer factories an ideal means of providing quick-energy foods which keep both morale and efficiency high. There is then no need to "send out" or to take a half-hour "walk" to the corner drugstore.

Profits Are Not Large

But these uses, while they assure further growth to the industry, do not constitute a golden road to riches. The fact is that the average volume of sales per machine is surprisingly low. The ordinary cigarette machine (and cigarettes account for over half of all vending-machine sales) dispenses about 15 packs a day. It is clear that at this rate there must be a large investment in robots in order to support a serviceman who will load, repair, and collect coins from the machines. The daily net profit for the owner is figured in fractions of pennies.

In addition, vandalism by small boys and petty thieves is an occupational hazard of the robot. It must be located where there is heavy traffic at all times, or where there is an employee doing other work. Public locations are unsatisfactory. Certainly, there is no profit if a blue-uniformed "clerk" must stand ready to defend the machine with his nightstick! This means that the further growth of such machines will come in stores where vandalism cannot occur.

The Personal Approach

Machines do not know the psychology of selling. It is a mistake, therefore, to believe that they can ever take over the job of an enthusiastic clerk who has a true "sales appeal." They are able to sell only well-known, low-cost items that people already want. Products that people want to feel, or try for size, cannot yet be automatically dispensed. Also, experience has shown that the average citizen hesitates to drop anything larger than 25c in a machine; and there are few persons indeed who will deposit $1 or more in a gadget that they are not sure will work.

Therefore, I am not now forecasting that robot selling machines will go far toward displacing sales clerks, but they may discourage further wage raises. I do predict, however, that the extent to which the robot finally supersedes the blonde will materially depend upon advertising and packaging.

Importance of Advertising

It is significant that the products which move well through automatic selling devices are well-known brands. "Dime" chains are giving them careful study in connection with "self-selection" stores. Of course, the nation's leading practical psychologists will have to devote their great experience and talent to the problem of pre-selling anything that is earmarked for quantity distribution by machines. Hence, the robot should increase newspaper advertising.

The first step will be clever packaging. And once a good design has been achieved, it must repeatedly, day after day, year in and year out, be put before the buying public. The manufacturer who does not make full use of good packaging and newspaper advertising will not get repeat orders from vending machine operators. Therefore, I conclude that robot selling does have its place in certain stores where its uses have not as yet been fully exploited. But I warn readers not to be misled; robots are now far from being mechanical gold mines.

Lawrence Snell Forms Own Investment Co.

The formation of the new investment firm of Lawrence W. Snell Co., to be located at 70 Pine Street, New York City, was announced Jan. 18. Mr. Snell, the principal, was formerly associated with Kidder, Peabody & Co.

Founders Mutual Adds

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Fred C. Dimmett is now with Founders Mutual Depositor Corporation, First National Bank Building. He was formerly with Hutchinson & Company.

Joins Hentz Staff

(Special to THE FINANCIAL CHRONICLE)

CHICAGO, Ill. — Jordan E. Rothbart has become associated with H. Hentz & Co., 120 South La Salle Street. He was formerly with Reynolds & Co.

Edw. N. Siegler Adds

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Anne Sobul has been added to the staff of Edward N. Siegler & Co., Union Commerce Arcade, members of the Midwest Stock Exchange.

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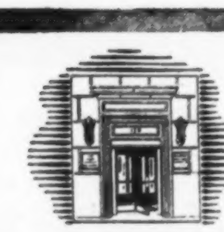

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Gauging the Business Outlook

By MARCUS NADLER*
Professor of Finance, New York University

Dr. Nadler lays down as factors helping in gauging the business outlook: (1) the economy is sound and growing and is becoming increasingly dynamic; (2) huge sums are spent on research leading to new wealth, thus giving stimulus to business activity; (3) the government is in position, through controls over capital and credit, to influence business activity. Foresees no immediate serious depression.

The decline in business activity during the past few months accompanied by an increase in unemployment and a decrease in corporate profits has created considerable confusion. Some believe that the decline will degenerate into a considerable recession in business activity. Others, on the other hand, maintain that the readjustment is practically over and that business activity during 1954 will probably be the second highest in history in peacetime. Predictions are hazardous because a great deal depends on the psychology of the people. This is particularly true in the United States where the standard of living is high and where optional purchases form a considerable percentage of total consumer expenditures by individuals.

Marcus Nadler

In view of this uncertainty the following facts will be helpful in gauging the future:

(1) The economy of the United States is sound and growing. No credit abuses of any consequence have occurred. While private indebtedness has increased considerably it is not out of line with disposable income nor with the huge savings of the people.

(2) The economy of the United States is becoming increasingly dynamic. Not only is the population increasing at a faster rate than was thought possible during the 30's but the standard of living of the people has risen and economic security today is on a much broader basis than ever before.

(3) Huge sums are being spent broader basis tha never before. annually on research which leads to the creation of new products and new wealth and which acts as a great stimulus to business activity.

(4) The government, through the timely use of its quantitative and qualitative controls over credit and capital, can exercise a strong influence on business sentiment and on business activity.

While business activity will be lower in 1954 than in 1953 and while unemployment will be somewhat higher, the United States is not headed for a serious recession. The present readjustment will be particularly felt by those who are unwilling to forget the sellers' market, whose management is inefficient and who cannot adjust to keen competition.

Economic conditions as they are today and will prevail in the next few months constitute a rolling readjustment temporarily aggravated by inventory liquidation. Within a relatively short period of time, however, this readjustment will be completed. Inventories will again be in line with sales, consumer indebtedness will be lower and the foundation will be laid for a renewal of the uptrend in business, which, based on the dynamism of our economy, should lead to higher levels in the not distant future than have prevailed in the immediate past.

*Summary of Dr. Nadler's address before the Controllers Institute, New York City, Jan. 18, 1954.

Irving Trust Heads Optimistic on Outlook For Business in 1954

W. N. Enstrom R. H. West

In a period when economists generally have been expressing doubts about the course of U. S. business in 1954, William N. Enstrom, Chairman, and Richard H. West, President of the Irving Trust Company, said this in the company's 1953 report:

"On the basis of careful diagnosis of recent economic trends, the present situation appears sound. There has been an ebb and flow in business periodically over the years and it is reasonable to expect this to continue in our free market system. It is natural for business activity to show some slowing down after reaching new highs during the year. This will serve the healthy purpose of keeping proper balance between various parts of our highly complex economy.

"The monetary and fiscal authorities are alert to the dangers of economic weakness, and have already shown a determination to adjust their policies as conditions change. A cumulative downward spiral seems most unlikely under the circumstances.

"We look forward to a long period of economic growth with ever new horizons as technology develops new processes and new products. We have confidence that the free market system will give us a virile thriving economic machine with continued growth in the standard of living."

Anderson-Plank-Arnao

MINNEAPOLIS, MINN. — Truman E. Anderson, Raymond Plank and Charles C. Arnao, Jr. have formed Anderson-Plank-Arnao with offices at 631 Marquette to engage in a securities business.

Joins John Muir & Co.

William L. Dewart has become associated with John Muir & Co., 39 Broadway, New York City, members of the New York Stock Exchange. Mr. Dewart was previously with Mallory, Adee & Co.

Taxes, National Security and Economic Growth

Committee for Economic Development maintains automatic tax reductions scheduled for April 1 should be permitted to take effect, if Federal expenditures can be cut by 5 to 6 billion dollars in the coming fiscal year. Urges gradual elimination of "hodge-podge" excise taxes, excepting those on liquor, tobacco and gasoline; to be replaced, if necessary, by a general consumption tax. Estimates spending cuts of $5,500,000,000 would bring cash expenditures and revenues into balance.

Frazar B. Wilde J. C. Thomson

WASHINGTON — A long-range program for Federal tax reduction and tax reforms to stimulate rapid economic growth, while maintaining a balanced budget, was made public Jan. 9 in a statement on national policy by the Research and Policy Committee of the Committee for Economic Development.

How soon the program can be accomplished, and at what rate, will depend almost entirely on national security needs, the Committee said, urging that as tax reductions become feasible initial emphasis be placed on those which will increase the supply of savings available for investment and innovation and reduce present deterents to risk-taking, effort and economic progress. It proposed a series of changes in the individual income tax, the corporate profits tax and excise taxes to achieve these objectives.

The Committee's study, "Taxes, National Security and Economic Growth," latest in the series issued by the non-profit economic research and education organization during the last ten years, was made public by Frazar B. Wilde, Chairman of CED's Research and Policy Committee and President of the Connecticut General Life Insurance Co., Hartford, Conn., and J. Cameron Thomson, Vice-Chairman of the Research and Policy Committee and Chairman of the subcommittee which conducted the research and drafted the statement. Mr. Thomson is

Continued on page 65

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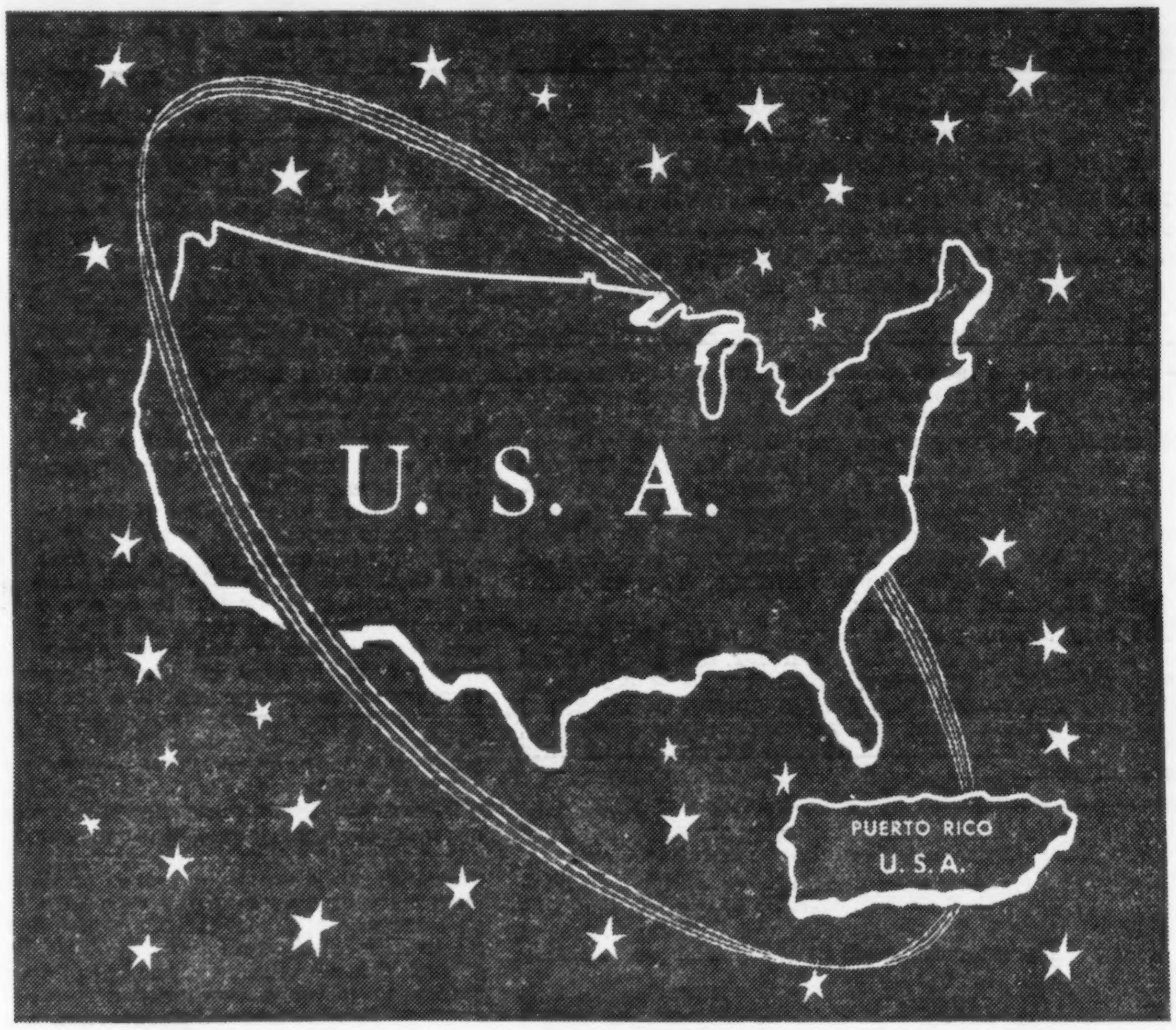

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With tomorrow's ever faster planes, the Commonwealth of Puerto Rico, U. S. A., now five and a half hours from New York and three and a half from Miami, moves still closer to the mainland.

The closeness of our U. S. family ties finds expression not only in terms of time, but in our common citizenship, our common trade, our common judicial system, our common currency, our common defense, and our common bright destiny in the expanding American economy.

The wheels of industry turn swiftly. New factories hum throughout the Island. Business men from New York to California walk briskly down our streets, rubbing elbows with tourists from Texas or Illinois. More and more industrial companies are building Puerto Rican plants.

During the past five years the net income of the Commonwealth rose from $612,000,000 to $955,800,000 and wages from $332,776,000 to some $575,000,000.

The Government Development Bank for Puerto Rico takes this occasion to extend its tribute to the individuals and institutions who have converted vision, energy and credit into thriving factories and greater human happiness.

Commonwealth of Puerto Rico

GOVERNMENT DEVELOPMENT BANK for PUERTO RICO

SAN JUAN, PUERTO RICO

Business and Finance Speaks After the Turn of the Year

Continued from first page

expenditures and to bring the budget into balance will be continued. This will result in strengthening the nation's fiscal health.

In recent days a considerable number of opposition political figures have been attempting to convince the public that the country is heading for another depression era. Such campaign propaganda is patently detrimental to the welfare of the nation but, even though untrue, must be faced by an open and candid discussion of the factual situation.

This government has pledged itself to building a prosperity based on peace, not war. Recent technological advances in military science accompanied by the cessation of hostilities in Korea have permitted us to reduce defense spending. Further reductions have been made in other areas of the Federal budget. Such reevaluation of government expenditures and reduction in defense contract and government procurement programs have temporarily resulted in various dislocations in adjustments among the nation's businesses. It is fundamental that in any attempt to reduce Federal spending as well as the greatest threat of all—the public debt—some strains and stresses will inevitably appear. However, with a critical housing shortage still in existence, with thousands of miles of new and old highways needing construction, with hundreds of new schools and hospitals required, with our tremendous natural resources, industrial know-how, machine energy, growing population, and the economic freedom of our enterprising people the future of our American economy can be viewed with confidence.

In 1954 the Administration and Congress will cooperate on new programs in the fields of agriculture, housing, highway and building construction which will add strength to our fiscal outlook. For the first time the Federal Government will look into ways and means of letting the nation's business participate in atomic energy development for industrial uses. The potentialities in this area are enormous and such development may well revolutionize our present industrial system.

The success of our American economic system in 1954 will be keyed to our increasing inventiveness, our rising population and industrial initiative. The strength of America has always been based on an expanding and growing economy and this we shall have in the future as we have had in the past despite temporary readjustments that take place from time to time.

If we have the same courage and common sense as the men who sat at Philadelphia, who under devine guidance gave us first our Declaration of Independence and later our Constitution, there are none of our domestic problems we cannot solve and there is no foreign foe we need fear.

HERBERT ABRAHAM

Chairman of the Board, The Ruberoid Co.

In the flood of forecasts for the new year, all prophets have at least one point of agreement: Builders and building materials makers can look for tougher selling ahead. With much of the postwar housing shortage already accounted for, a slight decline in personal income, and a tapering off of frantic, Korea-inspired industrial construction, government agencies expect total new construction — including residential, farm, industrial, commercial, utility and all public construction—to fall about 2% from its estimated $34.7 billion 1953 record. New housing starts will likely decline to an annual rate of about 900,000, 10% below last year's. The continuing drop in income among farmers, who spent about $1.5 billion on building in 1953, has given us all concern for many months.


Herbert Abraham

But if a changing economy promises early readjustments, I am more than optimistic for the long run. Alongside widespread uncertainty are powerful pressures which must sooner or later force building activity to new peaks. Among these is our growing population. Families are getting bigger. More than 4,000,000 babies—all of whom must somehow be housed —were born in the U. S. last year. In the search for bigger and better homes, Americans are migrating within the country. As millions desert city for suburbs, they are creating the greatest housing demand the nation has ever seen. And in the urban centers, they leave behind a decaying housing situation which has been called "our No. 1 human problem." If our cities are to survive, slums must be cleared and rebuilt.

Coupled with private insistence on more adequate housing is the Federal Government's determination to forestall a serious recession. One of the weapons the Administration already plans to use to keep employment high is a public works and building program. Any such plan will, of course, help stimulate our business. Another influence being felt is the Federal Research Board's easier money policy which is keeping mortgage rates low and new housing within the grasp of almost every homemaker.

For asphalt roofing and asbestos-cement siding manufacturers, among whom The Ruberoid Co. is the country's biggest factor, the maintenance, repair and renovation market is even more important than new building. Roofs and siding are as basic as bread and butter, must be maintained a good times and in bad. Normally, repair and maintenance work account for two-thirds of Ruberoid's sales and experience shows that this market usually speeds up when new building slows down.

To stimulate more business, Ruberoid and the rest of the industry are constantly introducing new and better products. For example, our company is paying special attention to home owners' demands for colorful and durable home exteriors by emphasizing our line of Color-Grained Asbestos-Cement Sidings. This emphasis is being increased this year.

The easy selling postwar period is over, but there is still a tremendous pent up need for buildings of all kinds. The market is here; consumers have money to spend. By reviving a little of our old-fashioned selling know-how, which many of us have almost forgotten, the building materials industry can experience another excellent year.

MORE STATEMENTS IN SUBSEQUENT ISSUES

Quite a number of statements either were received too late for publication in today's issue, or for mechanical reasons, could not be accommodated herein. These will appear in subsequent issues of the "Chronicle." —EDITOR.

ERNEST R. ACKER

President, Central Hudson Gas & Electric Corp.

The nation's gas and electric utility companies continued to meet the challenge of supplying increased demands for their products in 1953 and will be prepared to meet even greater demands in 1954. The gas industry plans to spend $1 billion for new construction and expansion this year and the electric industry expects to top its record 1953 expenditures by adding $3 billion in new facilities.


Ernest R. Acker

The electric industry anticipates installing its 100 millionth kilowatt of capacity sometime in 1954. This will be a milestone, certainly, in the tremendous progress being made to meet the civilian and defense needs of America. Electric sales last year were double those of 1946, and the installed capacity of the industry at the end of 1953 was about double that of 1942. There is every reason to believe that electric sales a decade from now will double again. America now produces more than 42% of the world's electricity and has four times the electric production of the Soviet Union.

The most significant industry development in 1953 related to the increased interest in the vast potentialities of the peacetime application of atomic energy to the generation of electric power. This development is a momentous challenge to the electric industry. I believe, however, that during the next 10 years some of the more difficult atomic problems now confronting the industry will be solved and that many of the benefits of such an application of atomic energy will become available to the nation.

A number of utility, chemical, manufacturing and engineering companies have formed reactor study teams, with the objective that private enterprise provide the capital and design, construct and operate nuclear reactors for the production of electric power. As the work of these teams progresses, leaders in business and government are seeking revision of the Atomic Energy Act to permit industry to own fissionable materials, the facilities to produce and utilize such materials, and the patents protecting new inventions developed by industry. If the present law is amended, I feel certain there will be a broader participation and use of private capital in the nuclear power program. However, these changes are essential before there can be full participation by private enterprise.

An important problem that is part of development of atomic power is one that has been with the investor-owned utility business for many years. This problem is the further encroachment of government in the business of generating, transmitting, distributing and selling electric power. Unless the Atomic Energy Act is amended, however, there is little that the investor-owned companies can do to prevent the further expansion of government in this field.

The gas industry, one of the fastest growing in the nation, added another 800,000 customers last year, maintaining a growth rate established three years ago. Natural gas sales increased 8.7% nationally and revenues from the sale of natural gas increased 15.7%. Proved recoverable reserves of natural gas continue to be more than ample to supply increasing demands.

Cost of utility services to customers has declined significantly over the years, and although this price curve continues downward, there is indication that a leveling off is taking place. Postwar inflation and the mounting cost of utility operations continue to offset such favorable factors as the improvement in equipment and operations, increased efficiencies of new plants, and increased demands for gas and electricity.

MALCOLM ADAM

President, The Penn Mutual Life Insurance Co., Philadelphia, Pa.

The life insurance industry has just experienced its most successful year. Sales of life insurance last year were the greatest on record and it is our belief that final figures will show that the death rate was at or close to the lowest levels so far experienced. Insofar as the net rate of interest earned on invested funds is concerned, further improvement was made, but in spite of that the return before Federal income taxes is estimated at about the levels experienced just prior to our entrance into World War II and very much lower than was earned in the quarter century before that time.


Malcolm Adam

In 1954 we expect sales of life insurance to continue at record levels. Although it can be pointed out that life insurance per family is at a high figure, it is a fairer test to compare it to the disposable personal income per family. Using this comparison, we find that in 1930 life insurance per family amounted to approximately one year and six months of disposable personal income and in 1940 one year and seven months, whereas, it is estimated that in 1953 life insurance amounted to only about one year and three months. Since the protection in the years 1930 and 1940 was unquestionably inadequate for the average family, it is obvious that present insurance coverage is even less adequate, and this is all the more true because the interest rate earned on the proceeds of life insurance policies is at a lower rate than the decade before World War II and the size of families is larger. We believe that with personal income at current high levels and with the cost of living holding steady, there is an exceptional opportunity to provide further insurance coverage for the average family, and this protection we are firmly convinced is greatly needed.

Thanks to our higher standard of living, our improved medical treatment and new discoveries in the pharmaceutical fields, our national health last year was excellent and, consequently the savings on mortality were substantial. We believe that this desirable situation will continue through 1954.

It is in the field of interest rates that we are most concerned for the future. 1953 offered better investment opportunities on the whole than had been seen for close to 20 years and there is no question but that life insurance policyholders will benefit substantially from the conditions which existed during most of 1953. As this is being written, however, and in spite of the fact that there now is an excellent demand for money by borrowers, interest rates are following the downward trend which began in the middle of last year. How much further this trend will persist depends both upon the action of our monetary authorities and upon the level of business throughout this year. It need hardly be added that low interest rates do not benefit those persons whose assets are in insurance companies, savings banks or similar institutions.

We feel confident that, barring a severe recession, 1954 will bring another year of record sales and another year of excellent mortality and that even though it may not be as good a year as 1953 for the investing of insurance funds, it should be substantially better than the average over the past decade.

K. S. ADAMS

Chairman and Chief Executive Officer, Phillips Petroleum Co.

Although most of the indicators point to some degree of slackening in general business activity before the end of 1954, there is every indication that the petroleum industry will face an increase in demand for products during the coming year of approximately 3% over 1953 demands. There seems little doubt that the industry can supply requirements for 1954, but it must at the same time prepare to meet the continued growth in demand in the foreseeable future. Whether it can accomplish both of these aims will depend largely on how successfully it finds solutions to a few of the problems currently facing the industry.


K. S. Adams

At present the industry is in one of its periodic, temporary phases where, contrary to the long-range trend, the supply of products exceeds even the increasing demand. This stems largely from the generally warmer-than-normal weather which has prevailed the past three winters, increased imports of oil and other products, and the success which attended the industry's efforts to meet the requests of the government that the industry provide reserve crude oil producing and refining capacity for possible emergency use.

The combined effect of these factors has resulted in inventories of refined products which are excessive in light of existing demand. Thus the industry's immediate, short-range objective must be to reduce inventories and allow supply and demand to balance. The reserve

Continued on page 30

Steel also means people...

To many Americans, the steel industry means mountainous piles of red ore . . . gigantic cranes . . . and white-hot, flaming furnaces. But the steel industry is much more than that. *Steel means people, too*. For more than half a century, the skillful hands and creative brains of the men at U. S. Steel have been helping to build a better America. The 300,000 workers of this company are proud to be men of steel, proud of the production records through the years.

Other people who share the responsibility for these accomplishments are the 280,000 owners of U. S. Steel. They live in every state in the union. They can be proud that their invested savings are making possible the steel the nation needs—for today it requires an investment of more than $75,000 in construction and equipment to make a job for just one man in the steel industry.

Thus U. S. Steel is an active example of close to 600,000 people co-operating with energy, enterprise and faith as your partners in America's progress.

Blast-furnace-hot metal being poured at U. S. Steel's Fairless Works in the Delaware Valley. Not only in this section of Pennsylvania, but all across the land, steel is helping create better living for Americans.

USS

UNITED STATES STEEL

Watch THE UNITED STATES STEEL HOUR on television. See your local newspaper for time and station.

Continued from page 28

capacity which the industry has provided must not be considered as a part of the normal supply lest it lose its value as a reserve for emergency use and at the same time weaken the whole structure of an industry vital to the Nation's progress and well-being.

A certain amount of imports is necessary, but the problem is to adjust to that level of imports which supplements but is not disturbing to normal domestic exploration activity. This is not easy because of the delicate matter of relations with foreign governments vitally interested in maintaining their income from oil production and the natural incentive for foreign producers to recover on their investments abroad. It is my belief that the import matter can and will be solved without interference of Government action. The restoration of Iran's oil industry is frequently cited as a particularly disturbing factor in international oil trade. This should not be the case, however, since it must be remembered that each year there will be an increase in worldwide demand of about the magnitude of Iran's greatest annual output. In any event, there will be little impact of the Iranian situation in 1954 as it will probably require at least a year from the time settlement is reached to restore production to anything like its former level.

There is a natural tendency for the current oversupply picture to obscure the real, more fundamental challenge, large in the industry's 1954 thinking, to provide adequate quantities of petroleum from year to year to meet the future long-time increased demand. The President's Materials Policy Commission, basing its report on 1950 figures, projected a 100% increase in United States demand for petroleum by 1975. For several years the industry has been forced to absorb virtually all of the constantly increasing cost of doing business. Everything points to a continuation of the increase in costs of finding, producing and refining oil. Industry earnings under these conditions have been possible only because oil produced today comes largely from low-cost reserves discovered years ago. These low-cost reserves are rapidly being depleted and supplies of oil for the years ahead must come from discoveries made today and in the future at higher costs. There is a serious question as to how long the oil industry can continue to provide supplies to fulfill the increasing need for its products at the low prices now prevailing.

Certain segments of the oil industry will realize greater opportunities than the average in 1954 from their further diversification into petrochemicals and other upgraded products. About a fourth of all chemicals now consumed in this country are made from petroleum, and present indications are that within 10 years a half of all chemicals will come from petroleum sources. Those companies which have laid a firm groundwork for this growth are in a position to strengthen their earnings picture in 1954 while the supply situation in conventional products as being adjusted.

The oil industry will continue as one of the most progressive of industries in research and the use of scientific means of providing more, better and cheaper products, and again in 1954 it will make substantial progress in the development of still better means of finding, producing, processing and distributing petroleum and its products. As in the past, the intense competition among oil companies will insure that customers will share generously in the benefits from this progress.

In summary, the outlook for the industry in 1954 is one of a high level of activity with capital expenditures at only a slightly lower figure than in 1953, stiff competition in the marketing branch of the industry, and little change in the present levels of earnings and employment.

V. J. ALEXANDER

Chairman, Union Planters National Bank, Memphis, Tenn.

The Federal Reserve Board index of production shows a slight tapering off of business during the closing months of 1953. It is believed by many economists that the coming year will see the end of the postwar boom. After eight years of high production, savings, and the like, it is about time for a turn around.

V. J. Alexander

In my opinion, business still does not face a bleak year in 1954. Competition will increase in many lines of business and profit margins will be squeezed. However, the expiration of excess profits taxes on Jan. 1, 1954, and a possible reduction in the corporate tax rate will both temper the decline. Although the pipelines have been filled with goods to meet consumers wants, still our goods and plants continue to wear out and there is the constant need for replacement.

The outlook for banking continues to be excellent. The banking system as a whole faces the new year with renewed confidence. The loan demand continues at a high level in spite of a disappointment at the seasonal rise in bank loans this fall. It is believed that loans may show some decline with the expiration of excess profits taxes.

Investments at member banks in the reserve cities have been rising again, and recent purchases have been made at better rates. The rise in the bond market during the past six months has done much to wipe out the paper losses of the first six months of 1953.

Bank earnings reached new peaks last year. They should enjoy another prosperous year in 1954, provided the demand for credit remains at a high level and interest rates remain at or around present levels.

The new Administration is to be commended for its forthright efforts to balance the budget, to extend the debt maturities, and to halt the inflationary trends in the economy. It will need the wholehearted cooperation of the banking industry to take further steps in the direction of sound money.

S. C. ALLYN

President, The National Cash Register Company

We cannot expect 1954 to produce a boom on top of an already super boom, but it may be the second-best year in the history of the country, exceeded only by 1953.

It will be a year of high disposable income and heavy production. If I were making a prediction on physical production, I would estimate a level of from 5% to 8% under 1953. There are three principal reasons why I think any decline in general business for the next 12 months will be only a moderate one.

Stanley C. Allyn

(1) Expenditures for national defense will remain high. Any moderate dip in overall Federal Government expenditure will be offset by increased state and local appropriations.

(2) The tax reductions which have been promised will increase consumer income and purchasing power.

(3) Our monetary policy is one which will keep the money supply increasing in accordance with long-term growth and expansion of the economy.

With plant and equipment outlay predicted to be only slightly less than in 1953 and with residential building at a high level, it is difficult to see anything but a year of high business activity.

In our own business we expect to approximate 1953 levels in 1954. Our products are labor-saving devices. The big problem in every business today is to reduce expenses, a situation which naturally focuses attention on any equipment which can cut costs. We also expect to introduce several new models during the year which should be a stimulus to sales.

As yet we have seen no falling off in our incoming orders, either domestic or foreign. The last quarter of 1953 was one of the best in our history.

HARRISON L. AMBER

President, Berkshire Life Insurance Co.

Possibly the best summary that one might give to the outlook for 1954 is that we appear to have changed from a demand economy to a supply economy and that the adjustment will continue.

Harrison L. Amber

In the past year we have seen increasing availability of many raw materials and manufactured goods. Now the trend is apparently accelerated and we find, for example, such finished articles as automobiles, electric appliances, television sets, farm equipment, machinery, textiles, etc., in ample supply. In effect, the wage-earner's dollar is stretched in terms of such goods. Whether he will freely part with his dollars in the face of unsettled conditions is something else again.

As time passes and it is obvious that the unsettlement has not assumed the disastrous proportions of 1932, but that prices have apparently stabilized, funds may well come out of savings accounts for articles which people have denied themselves as luxuries, as for example a deep-freeze, and at this point the salesman comes into his own.

Thus, salesmanship will become increasingly a factor in corporate or individual success, or lack of it. Even labor will find that the increasing competition in business applies also to the services of the individual. Here and there the less productive worker may find he has to look around for another job, and he will find it increasingly true that he must "sell himself".

These unsettling influences will probably make investors even more selective as to their purchases of common stocks. We already see this attitude reflected in the lack of broad activity in the stock market, despite the indications that the Federal Government is taking steps to bolster our economy. The usual props have been suggested, as for instance, easing terms for FHA and GI loans, directing Government orders to distress areas, maintaining supports for farm commodities, and the like. Nevertheless, institutional investors will want "to be shown" and the likelihood is that they will concentrate on fixed interest obligations rather than upon equities. In consequence, interest rates might ease slightly and, conversely, bond prices advance.

From a long range perspective a somewhat reduced cost of living means a higher standard of living. That is all to the good. Thus, it is probably a good thing for the welfare of the United States that people are put on their mettle every so often, when our economy says, in effect, "Produce, or else!"

A better standard of living should mean a still greater demand for life insurance as people try to assure their families the maintenance of that standard of living to which they have become accustomed.

A year ago I wrote that "the old bogey about inflation reducing the value of life insurance is not applicable in a more stable economy."—"Many a man with profits in the stock market may well come to the constructive conclusion that a transfer of profits to a good life insurance policy would make a lot of sense—."

In 1953 the New York "Times" Averages declined from a high of about 197 in early January to a low in September of 163. At the year-end the figure was close to 178.

I hope that on the strength of that idea, some people did transfer some stock market profits to good life insurance policies. If a person can consistently make profits in the stock market and just as consistently transfer a good part of them to life insurance policies, he ought to be able to build a substantial estate. What is more, he has restricted his possible loss.

Here is the sort of idea more business men should consider—an approach to the problem, not of making money, but of holding on to it.

J. L. ATWOOD

President, North American Aviation, Inc.

Contrary to public impression, there has been no material cutback in the nation's aircraft program by the present Administration. Most of the bugetary and appropriation cuts have reflected merely a tightening up of commitment lead times.

J. L. Atwood

However, it should be borne in mind that, barring some now unforeseeable international outbreak of hostilities, there will be a downward trend in aircraft procurement in 1954. As desired Air Force strength is approached, normal replacements and modernization will require fewer new aircraft than were produced during the expansion period. However, no violent readjustments appear likely in the near future.

During 1953 the aircraft industry reached its highest employment peak since 1945, with the airframe manufacturing industry alone totaling 440,000 compared to 937,000 in 1943 at the peak of World War II and a postwar low of 137,000 in 1948.

If North American's employment picture can be projected as a fair example of what is to come, and it seems reasonable to assume that it can, then employment in airframe production will drop between 15% and 30% from its present figure by the end of 1954. However, demand for engineers and skilled experimental personnel is likely to remain at present levels.

It is also reasonable to assume that there will be a corresponding drop in productions in companies which support the aircraft industry. These are firms which are now doing subcontracting work, supplying basic materials and doing processing work.

In the airframe industry this reduction of personnel will, for the most part, come about through normal turnover of the working force. As employees quit they will not be replaced in many instances.

The trend in design will continue toward that of the supersonic plane such as North American's F-100 Super Sabre, first of the Air Force's planes capable of fighting at speeds in excess of that of sound to go into production. Guided missiles and electro-mechanical development will continue to demand more and more engineering and production attention during 1954. The same will be true of development of the rocket engine.

In general 1954 will be a busy year in the aircraft industry, but one which will see the rising curve of the past three years level off and then drop a little.

C. J. BACKSTRAND

President, Armstrong Cork Co.

The products of the Armstrong Cork Company serve three principal markets—building material supplies, industrial specialties, and packaging. Prospects in all of these fields are encouraging for 1954. The challenge for the year ahead is to convert continuing large market potentials into actual customer purchases. Our plans have been laid accordingly, with the expectation that competition will intensify, not alone from producers of similar products but from all sellers competing for the same consumer dollars.

C. J. Backstrand

The outlook is for well maintained *after tax* income across the nation in 1954, thus providing the purchasing power required for a high level of sales in our industrial as well as consumer markets. While the urgency to buy definitely has been reduced by greater availability of goods in almost all lines, nevertheless market research clearly indicates that vast needs exist in the building, industrial specialty, and packaging fields.

Construction rightfully is being regarded generally as an economic bulwark in the national economy in 1954. Despite several years of record high activity, much more work remains to be done in this tremendous "growth" area. Marked changes, however, are occurring within the building industry both as to types of structures demanded and materials used in their construction. No one, therefore, can afford to be complacent about construction for dynamic developments in the industry will continue to test the calibre of all who have a part in it. Commercial, education, utility and some institutional building can be expected to forge even further

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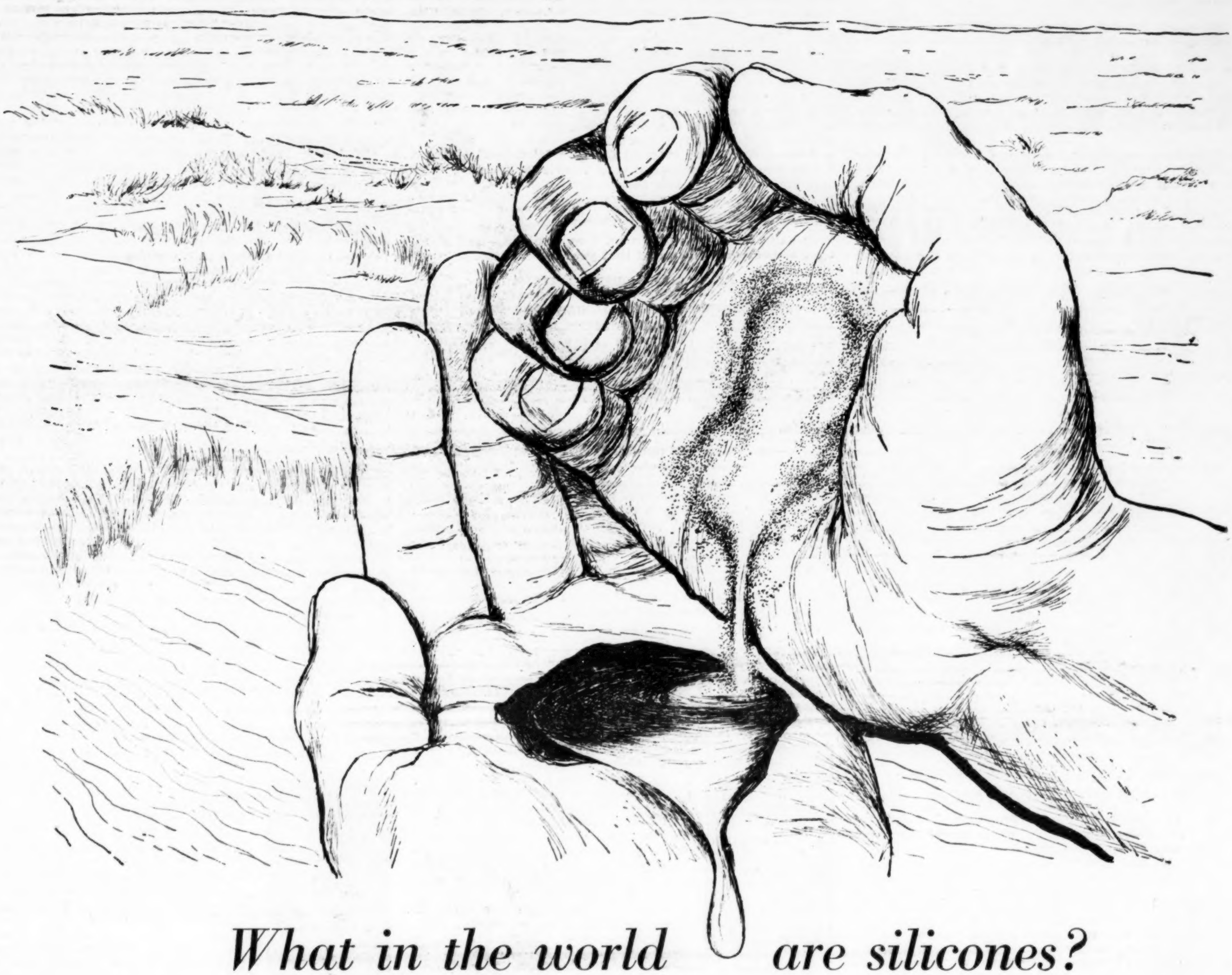

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ahead this year, providing strong markets for floor and wall coverings, acoustical materials, insulation, and related items.

In contrast, industrial building has leveled and in many areas has started a moderate decline. Similarly, the postwar peak in new residential building appears to have been passed, with further gradual contraction in such activity probable in the months immediately ahead.

Offsetting to a considerable extent these drops in new construction, however, will be substantial gains in "fix-up" (i.e., repair, modernization, and maintenance) work. These "fix-up" needs are both large and to some degree even alarming. The nation now faces a serious "space shortage" as record numbers of children continue to outgrow their living quarters. Moreover, many structures of all types are beginning to reflect the neglect of many years of war stringencies, rent controls, and public buying emphasis upon filling backlogs of consumer durables, e.g., cars and appliances. To a considerable extent, the amount of "fix-up" work to be completed in the years ahead will depend upon the success of current private and public efforts to expedite the sound financing of these badly needed modernization expenditures. In any event, an expanding "fix-up" market for many building material supplies seems in prospect.

Profit margins for most companies this year will be influenced greatly by how well costs can be kept under control, especially where sales may be shrinking. This indicates a real opportunity for products which will improve efficiency and increase value. Our industrial specialties—ranging from adhesives to gaskets, and filter materials to machinery supplies—aim to provide quality answers to specialized needs in such industries as automobiles and trailers, aircraft, air-conditioning, agricultural machinery, and textiles.

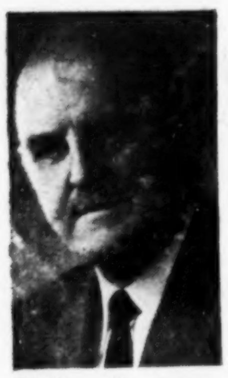
Packaging is another promising growth industry in which our products play a part. The record upward course of per capita use of containers is expected to persist in 1954. Here again, important shifts are occurring in demands for particular products, necessitating continuing careful market analysis. Increased competition among food, cosmetic, and pharmaceutical manufacturers in particular points to further restyling of packages and new opportunities for packaging merchandising.

"It's time to sell—*harder!!*" is our theme for 1954. Unless unforeseen domestic or international developments intervene, the year ahead will reward those organizations which can adjust to changing market conditions and continue to offer their customers outstanding values, supported by aggressive merchandising.

WILLIAM BALDERSTON

President, Philco Corporation

The year 1953 saw the last of government controls which, for a decade, restricted the free operation of our economy. It was the first in many during which most raw materials were in adequate supply. Our customers had enough money to buy what they wanted and from whom they wanted.



William Balderston

The year 1953 was the final year of transition to a more normal peacetime business climate. Our industrial system demonstrated its tremendous vitality by making such a period the most prosperous in history.

The electronics industry is the fastest growing industry in the world. When all the figures are in, it seems likely that 1953 industry sales of television receivers at retail will be second only to the peak year of 1950 when nearly 7,750,000 sets were sold. Philco with its new plant in Philadelphia, giving it the largest television manufacturing capacity in the industry, achieved a new record in television sales volume.

The industry in 1953 produced more than 13 million home and auto radios. Hundreds of miles of microwave communications systems were installed.

Color Television

1953 will go down in history as the birth year of color television. A great cooperative effort by scientists from almost all companies which manufacture television receivers and equipment, came to a successful conclusion when the Federal Communications Commission approved a new set of broadcast standards for color and black-and-white television.

It is a thrilling story of the cooperative strength of American industry in the solution of a highly complex peacetime problem. By developing these standards, the television industry has protected the public's investment of $7 billion in television sets now in use. Much work still remains to be done, and color receivers will not be available in quantity for a long time. However, now that standards have been approved, manufacturers can proceed with the problem of developing color television receivers with viewing screens large enough in size to interest the buying public and at prices they can afford to pay. A great new business is in the offing.

New "Surface-Barrier" Transistor Developed

The new "Surface-Barrier" transistor, developed in Philco's Research Laboratory, opens an entirely new realm for the use of transistors in both military and civilian applications. This transistor operates at high frequencies and with low power consumption—requirements which have limited the use of transistors up to this time to hearing aids and devices where stability is relatively unimportant. It has been applied successfully in miniature radio receiving equipment for the military, and in rescue signal equipment.

We anticipate that the new "Surface-Barrier" transistor will find application in the near future in many military uses for which transistors are eminently suitable. We expect eventually—but we cannot say when—the new type transistor will be used in many forms of commercial and industrial electronic equipment.

Almost six out of each 10 families purchased either a major household appliance or a television receiver during 1953. Perhaps the fastest growing market in the country is that for room air conditioners. First-of-the-year estimates that 450,000 air conditioners would be sold in 1953 have been surpassed by a wide margin. When the final figures are in, they probably will show over 800,000 units installed that year.

Prosperous Economy Forecast

The factors supporting our present prosperous economy are so strong it is almost unthinkable that there should be any substantial reduction in business activity during 1954. Our population is growing at the rate of over 2½ million persons a year. New families are being established at an unprecedented rate.

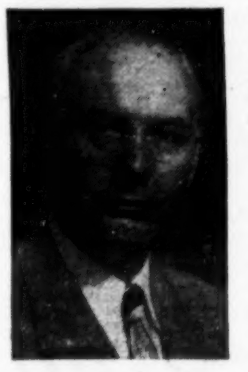
The average income of our wage-earners is a third higher than it was before the Korean War, and employment continues at a record high. 1954 will see a reduction in the tax burden. So-called disposable income is at a peak of about $250 billion. There are a number of new and fast growing industries to give more and more employment to our people, among them electronics, air conditioning, plastics and chemicals.

Our hope for a successful business year in 1954 rests on the confidence which our industrialists, our economists and all thinking people have in our economic system. There are some who believe we could talk ourselves into a recession. In view of the tremendous forces at work for prosperity, our industry has every reason to be confident of the future. If that kind of thinking becomes general, the United States can be assured of prosperity for a long time to come.

H. W. BALGOOYEN

Vice-President, American & Foreign Power Co. Inc.

The outlook for the electric power industry in Latin America, so far as it depends upon the demand for the product it supplies, electricity, could hardly be more favorable. Demand for electric service has never been so pressing; production of electricity has never been so large; and the gross revenues of the private electric companies in Latin America are constantly making new records. Nor is there any apparent let-up in sight for the accelerating demand for electric power throughout that area. The Foreign Power subsidiaries and the other privately-owned companies have been spending huge sums since World War II in an effort to catch up with the demand for service. In the Foreign Power System, alone, new generating plants have been brought into operation or are under construction in ten different countries; and such important companies as the Brazilian Traction, Light & Power Co. and the Mexican Light and Power Co. also are engaged in impressive construction programs. Yet, in many areas in Latin America, the demand is growing so rapidly that it is still necessary to ration power.



H. W. Balgooyen

The tremendous expansion now occurring in the Latin-American utility industry directly benefits business and employment in the United States, since much of the equipment for these new power developments is purchased in this country. Purchases of electrical equipment and materials in the United States by Foreign Power subsidiaries in Latin America, alone, since the war are well over $100,000,000, and a like amount will be spent by them in the next four years on equipment of United States manufacture if present construction programs are carried through to completion. These figures, however, relate only to direct purchases of materials and equipment for Foreign Power subsidiaries. Imports from the United States of electrical appliances, industrial equipment, etc. made possible by the availability of power in the Latin-American areas served have amounted to many times these figures. It has been reliably estimated that such purchases in the territories served by the Foreign Power System, alone, when added to the equipment purchases of the System companies, have amounted to well over $500,000,000.

From this, it appears obvious that it is as much in the interest of the people of the United States as it is in the interest of the people of the Latin-American countries which benefit directly from these utility services, that the Latin-American electric power industry be maintained in a healthy condition, financially, so that it can attract the huge sums of additional investment capital needed for expansion.

From the viewpoint of the local management of these utility enterprises, the problem is not one of developing a market for electric power, but of obtaining service rates to compensate for constantly increasing costs of operation in the highly inflationary economies in which most of the companies operate; of arranging local financing for the local currency portion of the costs of their construction programs; of obtaining the foreign exchange which is required both to service the foreign capital which is invested in the industry, and to pay for imported materials and equipment. Fortunately, most of the Latin-American countries concerned are becoming increasingly realistic in these matters, realizing that adequate supplies of electric power are the key to the economic development and higher living standards to which they all aspire; and that fair treatment of existing investors is the key which opens the way to the new investments on which additional power supplies are dependent.

From the viewpoint of the management of the parent companies in New York and other financial centers which have supplied the greater part of the capital, the problem is largely one of convincing private and institutional investors that the inherent soundness of the electric power industry in Latin America justifies their participation in financing its continued growth. It has been necessary for the management of the Foreign Power System to devote a great deal of attention to this financing problem in the years since World War II. During this period, construction expenditures of the Foreign Power System have totaled approximately $270,000,000, and the present program calls for an annual expenditure of at least $50,000,000 for the next several years for property improvement and expansion. The various projects comprising this continuing program will, of course, be undertaken only if reasonable assurances are received that our subsidiaries will be permitted to maintain remunerative rate structures and to obtain sufficient dollar exchange to service both existing and new investments.

The management of Foreign Power is appreciative of the substantial assistance received from the Export-Import Bank of Washington in the financing of this huge construction program. It is looking forward to the Bank's continued cooperation and to increasing participation by private lending institutions in the United States during the years ahead. It regards these essential long-term investments in the electric power industry in Latin America as sound and productive from the viewpoints of the lending institutions, the borrowers, and the countries concerned. They constitute, in a very real sense, a demonstration of faith in the future of Latin America. They represent international cooperation of the most practical form, as they are directly beneficial to the economies of both the United States and the countries where the investments are made.

F. M. BANKS

President Southern California Gas Co.

The unabated influx of new residents in Southern California was reflected in the growth of the gas business here during 1953. For the sixth successive postwar year, approximately 100,000 new customers were added to the systems of the three major gas utilities supplying this area. The largest of the three, Southern California Gas Company, which serves principally Metropolitan Los Angeles, added 68,000 new customers in 1953, bringing the total to 1,375,000. Southern Counties Gas Company, which serves principally outlying communities, added 35,000 customers, bringing the total number of its customers to 460,000.

F. M. Banks

These two companies, together with Pacific Lighting Gas Supply Company, a gas transmission and storage company, are wholly owned subsidiaries of the Pacific Lighting Corporation. The third major gas distribution company in Southern California is the San Diego Gas and Electric Company, which purchases its gas supply at wholesale from Southern Counties Gas Company. San Diego Gas and Electric Company added over 13,000 new gas customers in 1953, bringing the total served to approximately 180,000.

In planning for the year 1954, all three companies anticipate approximately as much growth as they experienced in 1953. Southern California Gas Company is basing its plans for expansion on an estimated increase of 60,000 customers, whereas Southern Counties Gas Company looks for a growth of about 36,000 new customers next year. San Diego Gas & Electric Company is planning for an increase of approximately 10,000 new gas customers.

A major undertaking of the Pacific Lighting companies in 1953 was the furtherance of their program of expanding supplies of natural gas from out of state to supplement California sources. Completed during the year were 20 miles of 30-inch pipeline and 14,500 horsepower in new compressor facilities, including two 5,500 horsepower turbo-compressor units, the first such units installed in California. These installations increased the delivery capacity for gas brought from Texas and New Mexico from 405 to 555 million cubic feet daily. Construction was also begun on an additional 73 miles of 30-inch piping and added compressor units at the Colorado River station, having a total of 5,280 horsepower. When completed in the spring of 1954, these facilities will boost the delivery capacity of out-of-state gas to 705 million cubic feet per day. Estimated total cost of this two-year project is about $13,000,000.

The new increment of 300,000,000 cubic feet of gas daily from out of state represents a one-third increase in primary gas supply to meet the growing requirements of customers in Southern California. From the Texas pipeline and California underground storage reservoirs alone there will now be available more than a billion cubic feet daily from peak gas loads, supplementing the primary supply from California fields.

Another important step was the recent acquisition of

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Pure Oil's "Sea-going" Wells

Increase Natural Gas Production

Drilling to a depth of over 2 miles beneath the Gulf of Mexico, offshore operations help raise Pure Oil gas production 66% in 3 years

Twelve thousand feet below the waters of the Gulf of Mexico, The Pure Oil Company is tapping rich pools of natural gas. The wells are drilled at different angles from central platforms, such as this one in the "Eugene Island" area more than nine miles from the Louisiana shore.

Last year, from these offshore wells alone, Pure Oil produced *29 billion cubic feet* of natural gas. In 1954, Pure Oil expects to boost this to over *50 billion cubic feet.*

The Pure Oil Company pioneered in offshore drilling and, now that Federal restrictions have been released, will accelerate exploration and development activities along this new frontier of production.

Offshore operations have already contributed materially to Pure Oil's 66% increase in total natural gas production in the last three years. Continuing increases, at realistic prices, are significant in relation to the growing importance of natural gas as a source of fuel energy.

Continued progress—in every phase of petroleum production, refining, transportation, and marketing—keeps The Pure Oil Company moving ahead in the vanguard of a highly competitive business.

Be *sure* with Pure

The Pure Oil Company

35 East Wacker Drive, Chicago 1, Ill.

THE PURE OIL PURE COMPANY, U.S.A.

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the Playa del Rey gas storage reservoir by Southern California Gas Company. This partially depleted oil field, located only 15 miles from the center of Los Angeles, serves the same purpose as the familiar above-ground storage tanks. This single reservoir, however, is equal in storage capacity to about 75 of the largest of these tanks, each of which would cost in the neighborhood of $2,000,000.

The expansion of the gas business in Southern California during 1953 required capital outlays exceeding $50,000,000. These funds were supplied in part by the sale of $20,000,000 of preferred stock by Pacific Lighting Corporation in April of 1953, and by the sale of 800,000 shares of common stock in November of 1953, which realized approximately $25,000,000. The San Diego Gas and Electric Company sold 800,000 shares of common stock during the year for a total of $10,000,000, of which approximately one-quarter was applicable to gas installations.

Southern California Gas Company's tentative budget for 1954 totals $29,000,000. Southern Counties Gas Company expects to expend $11,500,000 and San Diego Gas and Electric Company's budget for new gas facilities in 1954 is approximately $3,600,000.

Total gross revenues derived from the sale of natural gas in Southern California amounted to $170,000,000 in 1953, or about 7½% of the national total. While both Southern California Gas Company and Southern Counties Gas Company have sought and obtained rate increases during the last three years, gas rates to residential customers are still at about the same level as in the mid-thirties. No cessation in growth of gas usage is anticipated as a result of recent rate increases, since present prices are substantially below the economic value of gas as a fuel.

Closely allied to the gas business in Southern California is the manufacture and sale of various types of gas appliances. The volume of this business has increased substantially with the expanding market for gas. Local manufacturers of gas ranges, water heaters, and heating equipment sell throughout the Pacific Coast, and in some cases nationally. As an example, gas water heater manufacturers in the Los Angeles area produce about 40% of all such heaters sold in the entire country.

DONALD L. BARNES

President, American Investment Co. of Illinois

The consumer has been said to hold the key to 1954. Many forecasters have stated that the consumer goods industry must increase its production and sales in amounts which equal any reduction in defense spending. This puts quite a load on the consumer.

Donald L. Barnes

Since our industry, the small loan business, finances the consumer and is, therefore, close to his needs and desires, we feel we have some authority for our feeling of confidence for 1954.

We doubt that many consumers will buy goods in 1954 for the purpose of keeping up Gross National Product or National Personal Income. The consumer will buy, however, to improve his standard of living, and if he feels confident of his job and the future.

Our own experience has indicated that certainty of the future is one of the most important factors in influencing consumer purchasing. We feel that consumers have that confidence for 1954.

Population figures show no decline in rate of growth —family formations are continuing at a breath-taking pace—new people are coming into the labor force at a fast rate. All in all, we cannot be pessimistic about 1954.

We do believe that business should begin operating on a peacetime level again and use fully the virtues of salesmanship, fair competition, efficient operation and fair returns to labor and investors which built our country.

We, therefore, look for a prosperous 1954 with a general maintaining of the production, consumption and income peaks reached in 1953. In our own industry we expect gains in outstanding receivables and some gains in net earnings. Employment will continue at high levels even though there may be some increase in the number of unemployed.

We believe that credit for consumers should be more selective in 1954, but not restrictive. By this we mean that more care should be taken to work out the consumers' financial problem, to tailor the credit to his real income and living expenses, and to confine the terms of the loan to the foreseeable future in which consumer has confidence.

In our own company in 1953, we "caught our breath," and added to our capital and trained manpower. Therefore, we expect to continue our growth in 1954 on a firm base. We expect in American Investment Company to increase its outstandings by approximately 10%, and its net earnings by above the same percentage. Both of these increases are predicated on the fact that we anticipate no shooting war during the year 1954 and no unexpected reversal in the general economy. We do not expect either one to occur. We look forward to 1954 with a great deal of anticipation and confidence.

ROBERT A. BARNET

President, Irving Savings Bank, New York City

For most savings banks the big task confronting them in 1954 will be the improvement of earnings on their invested funds. This must be done with due regard for the liquidity of the banks' assets and the traditional safety of the funds entrusted to them.

Robert A. Barnet

For many years the great majority of New York State savings banks paid a uniform dividend rate within the limit set by the State Banking Department. On Oct. 7, 1953 this ceiling on dividend rates was abolished and the savings banks were again free to pay to their depositors as dividends whatever amount their earnings and surplus position warranted.

In recent weeks 12 savings banks throughout the state have announced a year-end extra quarterly dividend in excess of the 2½% rate generally paid by the banks for the past two or more years. Although the removal of the rate restriction by the Banking Department was not to be considered an invitation to increase rates generally, it is obvious that as more banks pay extra dividends, others will either want to or have to increase their present basic rate. It is still too early to determine to what extent savings will be siphoned from savings banks paying 2½% to those paying an extra dividend, but in time a considerable shift of deposits may possibly take place, especially if the basic rate is increased. The banks must meet this competition from other savings banks as well as the competition from savings and loan associations which generally pay a higher rate.

How best can savings banks increase their earnings so as to be in a position to increase their dividend? An increase in mortgage investments is the most likely way. Today, New York savings banks can invest their deposits in government insured FHA and guaranteed VA mortgages throughout the country. This enormous market has already absorbed a huge volume of savings bank money and will continue to do so in the future. Funds available to make insured and guaranteed mortgage loans will come from new deposits and the conversion of other assets, primarily U. S. Government bonds. The opportunity to convert government bonds in to cash is more favorable today than at any time since support prices for the bonds were abolished and prices slumped far below par. The 2¼ to 2½% income available from U. S. Government bonds, which the banks hold in great numbers, is in sharp contrast to the 4¼ to 4½% (less servicing costs) derived from FHA and VA mortgage loans. Conventional type mortgage loans, which provide a higher yield than FHA and VA loans, will also absorb large amounts of investment funds.

It is anticipated that 1954 will bring no slackening to the volume of money deposited in the savings banks. Much has been said and written of an imminent depression or recession, but in all likelihood any such economic readjustment will be of a minor nature. There have been a number of business reversals in recent months but latest Department of Commerce figures indicate a much sounder base to the economy than many people thought existed. Unemployment, a guide to industrial activity, increased 400,000 in December, 1953, but this figure was considerably less than many economists expected. The percentage of all civilian workers out of jobs was as low or lower as in any December since World War II, with the exception of 1952. Consequently, there is little indication that the savings of the workers will diminish. We expect that unlike 1949, when we experienced a recession, less emphasis will be placed upon the buying of automobiles, television sets and other household appliances and greater stress will be directed toward continuation of saving some part of the weekly or semi-monthly paycheck.

JOHN T. BEATTY

President, United Specialties Co.

I view 1954 business with mixed feelings. I realize that the Republican Administration, top staffed as it is in each department but State, by big business representatives is sensitive to any slowing of the industrial pulse. The policy toward continuing the country's "prosperity" differs little from the previous administration. The government is selling obligations to the banks against which they issue currency and is operating at a deficit. Both of these elements cause inflation and higher prices. New taxes are being sought to offset the loss from the Excess Profits Tax and the 11% personal tax reduction, instead of a positive attempt at cutting costs.

John T. Beatty

The Administration states that if business turns down tax relief will be applied. This to my mind gives the whole secret away and exposes the fact that the present Administration, as its predecessors, regards taxes as social and political tools versus revenue. If taxes can be reduced now, they could have been reduced a year ago as pledged in the campaign. I suspect that a cut in early '53 would have shored up the economy, avoided another wage increase, brought about price reductions, and generally improved the real income.

The Eisenhower Administration is to be congratulated on its cooperative attitude toward free enterprise, its scuttling of controls, and its face-about from socialized medicine, etc. Nevertheless, taxes, some wasteful, others such as those devoted to the foreign giveaway program are and will remain so high as to discourage the formation of new businesses, encourage the small enterprises selling out to the bigs and cause the death of our gallant incentive and reward system — the very system which now is crowning West Germany the industrial leader of Europe, and the misuse of which leads England and France to appeasement and alms seeking.

We all have known that the power to tax is the power to destroy. Now we know that the power to tax is also the power to control. The country's freedom is gone. In its place is a planned socialist economy underpinned by government spending.

Billions have been invested abroad. We maintain forces in 49 countries and 63 lands at devastating cost. But are there any plans to demand return of the thousands of men who are captive in Korea? The thought also occurs: Will the allies in whose countries our bases are located permit us the use of them when the third war comes? Can our country survive under taxes that in magnitude constitute a capital levy?

CLAUDE L. BENNER

President, Continental American Life Insurance Co.

Economists are prone to base their forecasts on the assumption that the trends existing when they make them will continue. Inasmuch as the general level of business has been declining since early last summer, their concensus of opinion now is that the decline will continue into the months ahead—their only difference of opinion being as to its depths and severity.

Claude L. Benner

At the outset, let me say that I deem the factors which will determine the general level of business in 1954 to be so intangible that no one can tell with any degree of certainty at the present time what the level of business will be at the close of the year.

The following are some of the variables which will be controlling in this matter: What will happen to inventories? Will they tend to increase, decrease or remain practically stationary? What is the situation in regard to consumer credit? Is there room for further expansion here or must we expect a contraction in the days ahead? Again, is the current talk about a coming business recession likely to cause a curtailment in business investment or, what is of equal importance, make the public more conservative about spending, with the result that savings may accumulate somewhat faster than the demand for them? Finally, what is the government's policy likely to be in regard to military expenditures, foreign aid, decreased taxation and in the realm of agriculture and labor problems? These are all questions which will play a vital role in determining the state of business in the year ahead about which no one can give positive answers at the moment.

But to argue that business must continue to decline because military expenditures are going to be curtailed, and that there must be unemployment in the durable goods industries merely because the shortages caused by the war are no longer with us, is to indulge in superficial reasoning.

Is it not obvious that if tax reductions do not lag behind the reduction in government expenditures, a comparable increase in the private demand for goods may well make up for the decreased government demand? Likewise, even if there is no longer such a housing shortage as existed after the war and although durable consumer goods are now in relatively abundant supply, still in a growing economy such as ours this need not prove too serious so long as current spendable income remains high and the liquid assets of the people are relatively abundant. All the data currently collected seem to indicate that personal savings are still accumulating rapidly, wage payments have declined very little, and liquid assets are still abundant. There still appears to be ample evidence that the consumers have the wherewithal to buy if they wish to do so.

Of this, we can be reasonably certain. In spite of some dismal forecasts by foreign commentators who are always expecting the worst to happen in this country and by politicians who have an interest in frightening our people, a severe business depression is not in prospect for the coming year. The country has not had the kind of speculation either in real estate, securities or commodities that usually precedes severe depressions.

For the volume of business to decline severely, the three principal sources of demand—government expenditures, civilian consumption and business investment—all together must continue to fall below their present level. As I do not believe total government expenditures, including state, local and Federal, will decline appreciably, and as there is little reason to believe that civilian consumption will be less, I do not think the small reduction which will take place in business investment will be sufficient to cause a material recession in the total level of business.

Continued on page 36

Announcing the 1954 PACKARD *Patrician*

America's new choice in fine cars

See the Packard line at your dealer's beginning Friday, January 15th.

Here's the beginning of Chapter II in the new Packard Program!

LAST YEAR . . . Chapter I! The new Packard was introduced as "America's New Choice In Fine Cars." A new "Who's Who" in motorcars began!

• This is a car designed for men and women who don't like to follow the crowd. It is no longer necessary to leave your imagination behind when shopping for the best. For the new Packard gives you not only luxury—but *individuality.*

Styling that stays in style!

Packard was the first fine car to offer the new, advanced contour styling . . . with the bold, straight lines . . . high-level fenders and greater visibility.

• Packard contour styling is setting the trend in all automotive design today. It gives you a clearer view of the road any way you look. *Safer, more relaxing* visibility that makes driving a joy instead of a job . . . chair-high, posture-tailored seats that bring new, relaxing comfort to a long day's drive.

A great new Packard engine, too!

212 horsepower! Nine crankshaft bearings that mean smoother, quieter running at *all* speeds. No other car gives you such a guarantee of quiet, lasting power!

• 212 horsepower built into watch-like smoothness by Packard, most famous engine-builder of them all! High torque at low r.p.m., which gives you that extra power-punch you need for a swift getaway in traffic, or for passing on the highway.

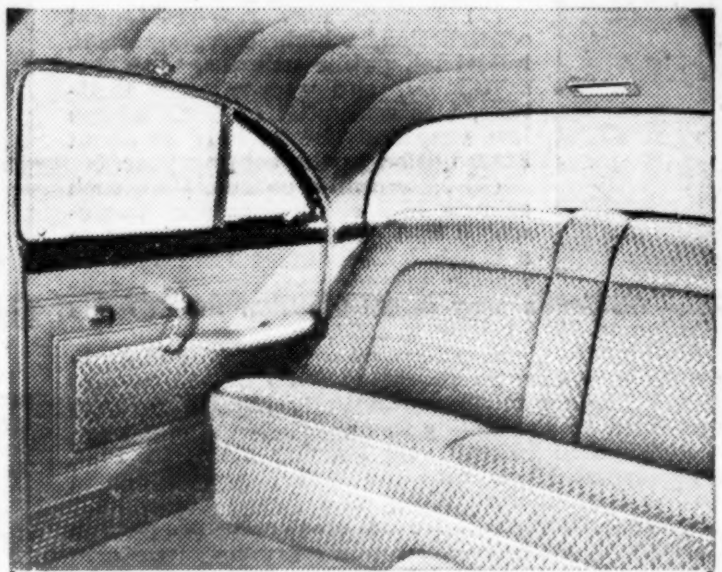
No car this year will have more or finer power features!

This is a car with the greatest of all no-shift drives! Packard Ultramatic! Designed by Packard engineers for use in Packard-built cars only, to assure perfectly balanced performance. Just compare it: that's all! For smoothness, for pickup, *for economy.*

• Then there are Packard Power Steering and Packard Power Brakes which add so much to more relaxed driving through *an entirely new sense* of complete car control.

• The driver's seat is electrically powered for 4-way operation. You can adjust it to your size, up or down, backward or forward, simply by touching a switch conveniently located at your side.

We are so proud of the new 1954 Packard that we invite comparison with any other fine car you can name. Your Packard dealer will be glad to place a car at your disposal so that you may judge for yourself.



You can have both luxury and individuality! *Inside the Patrician you see for the first time what luxury can be built into one automobile. For example, an entirely new fabric—nylon matelassé! Only when you have felt the sleek, cool richness of it can you appreciate its elegance. Or, for those who prefer traditional interiors, closely woven and durable broadcloth of the finest quality is also available in colorful two-tone combinations. Yes, all in keeping with Packard's oldest tradition: luxury and individuality!*

N-132C

SEE YOUR NEAREST PACKARD DEALER

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OLE BERG, JR.

President, The British American Oil Co. Ltd

Consumer demand for petroleum in Canada has been expanding at an annual rate of 10%, reflecting the country's industrial growth and general prosperity. It is expected that in 1954 there will be a continued increase in demand, with Canadian requirements attaining a yearly average substantially more than half a million barrels a day. This will spur further exploration and production in Western Canada, continued refinery expansion and additions to the crude-oil and refined-products pipelines.


Ole Berg, Jr.

In 1953, $330 million was spent in Western Canada in exploration and production. A number of important new fields were discovered and, while they have still to be fully evaluated, some have added substantially to Canada's reserves, now past the two billion barrel mark.

The degree of oil self-sufficiency was again increased in 1953 and at the year's end stood at 45%. The market for Canadian oil produced in the coming year has been estimated at 260,000 b/d. New pipelines and other facilities that were added in 1953 will enable crude production to be stepped up. It could reach 300,000 barrels before the year-end, with a daily production of 380,000 b/d by the summer.

Last year the country's refining capacity went up about 15%. In 1954 it will be raised by some 90,000 b/d by new refineries and refinery additions either planned or under construction.

One of the most recent developments in the Canadian oil picture has been provided by the petrochemical industry. In approximately three years petrochemistry has made the country self-sufficient in many chemicals previously inmported. In 1954 petrochemistry will grow in many fields with corresponding increase in petroleum demand.

During 1954, and the years following, the Canadian oil industry will implement a program of development which will involve expenditures of many millions of dollars. There is no evidence of any reduction in Canadian petroleum activity during 1954 and this is reason for general optimism. The heavy investment contemplated by the Canadian oil industry is both a sign of confidence in, and a guarantee of, the continuing growth of the country's economy.

HAROLD R. BERLIN

Vice-President, Johns-Manville Corporation

A new record volume estimated at $45.8 billion was achieved in 1953 by construction in four categories. These categories and their outlook for 1954 are:

(1) New housing starts in 1953 numbered about 1,050,000 and cost approximately $11.9 billion. This figure may taper off to 900,000 units or somewhat over $10 billion in the coming year.


Harold R. Berlin

(2) Private new non-residential construction, which is commercial, industrial, public utilities, farm, institutional, and recreational facilities, was estimated at $11.3 billion last year and should hold at about $11.0 billion in the coming year.

(3) New public construction, such as new highways, sewerage, waterworks and public buildings, and to a much lesser extent than in 1952 atomic energy facilities, was estimated at $11.1 billion in 1953 and may decline to $10.5 billion in 1954.

(4) Maintenance, alteration and modernization of existing structures cost an estimated $11.5 billion in 1953 and is quite likely to go substantially higher if vigorously pursued by the selling force.

The anticipated 900,000 new housing starts in 1954, while somewhat lower than the 1953 figure is due in part to the drop in the backlog of deferred demand for new homes—although there is still something of a shortage, particularly in the rapidly growing suburban communities.

Another factor is the smaller number of young people reaching the marriageable age in 1954. They were born in the depression '30s when the birthrate was abnormally low. New household formation in the coming year will probably be only about 715,000.

However, household formation is far from the only source of housing demand. An enormously important source is migration within the nation, which is growing rather than declining.

In the census year ending April, 1952, about 25,900,000 people moved into a different house. This startling figure represents about 20% of the civilian non-farm population of the United States. Of this number an estimated 17,500,000 persons moved within the same county—generally the suburbs. It is the suburbs that offer the great potential for the 1954 building salesman.

This movement of the population to the suburbs has tremendous momentum, particularly because of the continuing high birthrate. There were more than 4,000,000 babies born in 1953, an all-time high.

Vast numbers of the hurriedly built postwar houses are proving too small for these growing families. The result is a vast market in the "fix-up" or expansion segment of the residential construction industry. Innumerable attics will be converted into bedrooms as the children get older and wings will be added to many a house if the size of the lot permits.

In the private non-residential construction category, one of its components, commercial construction, increased about 28% above the $1,450,000,000 figure of 1952.

Industrial construction provided one of the major surprises of 1953. Factory construction approximated the 1952 figure of $2,320,000,000 although a decline had been expected in 1953. This decline is very likely to take place in 1954 and volume may well fall below $2 billion.

Public utilities construction in 1953 rose 5% above 1952 to about $4.2 billion. The main reason for this is the almost ceaseless demand for electricity—both industrial and residential. For one thing, the modern 1953 house has almost four times as many wired outlets as its prewar counterpart and the power load per house is growing by leaps and bounds.

Institution and recreational construction at about $1.6 billion in 1953 should remain about the same in 1954.

Farm construction in 1953 at about $1.6 billion, is definitely on the downgrade because of the decline in farm income. The coming year may see this figure around $1.2 billion or lower.

Despite Federal economy cutbacks, new public construction increased about 2.5% in 1953 to about $11.1 billion primarily because most government agencies could draw on huge appropriations voted in the past. It may be lower, perhaps around $10.5 billion in 1954. State and Municipal construction, it should be noted, is normally the backbone of public construction.

Federal heavy construction contracts, dropped about 72% in 1953 primarily because of a decline in atomic energy contracts. The AEC contracts in 1952 totaled $2.3 billion and in 1953 about $59 million. Construction in other Federal classes, such as buildings, irrigation dams, harbor works, waterways and other classes increased 14% over 1952 mainly because of previously voted appropriations. It is in 1954 that the decline may become more evident in these categories because of the economy program.

In the residential "fix-up" market, more leisure time and the availability of small cheap power tools help make it easier for the homeowner to do some of the work himself. The larger jobs, however, are for the professional.

In store construction it is increasingly important to be modern. Thousands of stores still await modernization.

1954 will be the year of the salesman and the fields of "fix-up" and modernization hold his greatest opportunity to create plus sales to offset possible declines in other branches of the construction industry.

FRANK H. BISHOP

President, Allied Products Corp.

For many who may not be familiar with the Allied Products Corporation, we have for years been a major producer of sheet metal tools and dies for the automotive and appliance industries. In addition, we manufacture and sell nationally a standardized and catalogued line of Richard Brothers and Hercules interchangeable punches and dies, used in metal forming and piercing operations. We are also suppliers of standard and special cold forgings and make precision parts for most of the important aircraft engine manufacturers. More recently we have acquired facilities for the manufacture of bearings and structural parts from powdered ferrous and non-ferrous metals.


Frank H. Bishop

Several years ago Allied initiated a program aimed at greater diversification. While progress has been made in this program, the largest part of our business, both tools and products, is still keyed pretty heavily to the automotive industry. Most economists believe that this industry is destined for much lower levels in 1954 and that general business may be anywhere from 5% to 15% below the 1953 level.

True, adjustments have occurred in the latter part of 1953 but these should soon have run their course. Most of these corrections, we feel, were caused by a change from a regulated and, therefore, restricted economy to a free, competitive economy. For example, the lifting of artificial controls which gave us a buyers' market for the first time in many years immediately brought on a liquidation of inventories which had been carried at excessive levels to insure continued production, notwithstanding new and unforeseen allocations.

In addition to the aforementioned adjustment, confusion stemmed from the incumbent Administration's handling of the defense and government spending cuts, the inopportune extension of the excess profits tax and the overly ambitious drive to obtain hard money too quickly. These moves, when compounded tended to create a pyramided depressing reaction. They were being very carefully appraised by proponents and opponents of the Administration alike in trying to determine the quality of the leadership of a party, new in office, and the general unacceptability of the aforementioned acts of the party gave pause to business improvement almost universally.

Recently the Administration has made many changes that are creating what we, in this area, believe to be a good, healthful climate for industry. It has de-emphasized the hard money program. The cuts in defense and government expense have been very carefully reviewed and balanced off by tax reductions to corporations and individuals. The elimination by the current party in power of practically all business restrictions places the present economy in a free and competitive position for the first time in many years, and the people to whom we have been talking in the Detroit area feel that this condition will allow them to exercise their ingenuity and ability in a more dynamic manner. They feel that it offers a renewed opportunity to maintain business at its highest levels.

As a matter of fact, our very recent discussion of conditions with management people in this area is very encouraging. We get the feeling from these groups that they are not inclined to take this forecast downturn without a firm determination to do everything possible within their own companies to turn the downward trend forecast for 1954. Since the automotive industry and its suppliers represent the largest industrial unit in the world, enough thinking of this type in this group could have profound influence on the overall 1954 economic accomplishment.

We find here an enthusiastic concentration on the introduction of new and improved products. Larger advertising and sales promotion programs and improved compensation for sales efforts are in the works. All firms are exercising more and closer cost controls than have been evident in these companies in the last decade.

All of these things will materialize in keeping quality high and bringing prices down so that good "buys" will be available to tempt a discriminating public who have savings accounts now greater than ever in history.

In conclusion, our return to a free competitive economy requires a rededication, on the part of all of us, to a greater faith in our free enterprise system which has provided the world's highest standard of living for all those privileged to participate.

JAMES B. BLACK

President, Pacific Gas & Electric Co.

The Northern and Central California area served by Pacific Gas and Electric Company continued to exhibit strong growth trends in 1953, although by the year-end it was evident that the rate of growth had slackened perceptibly.

The current year has nonetheless all the potentialities to be the second best business year in this area since the end of World War II. Aggressive sales and promotional activities should assure this result.


James B. Black

We expect our growth to continue in 1954, but not at the extraordinary pace of recent years.

In the year just past we had a net gain of about 100,000 new customers in all branches of our operations, thus marking the seventh consecutive year in which we have added more than 100,000 customers. Our electric and gas resources were further expanded, large additional increments of power and gas having been made available to meet the demands of our service area.

Our budget for new plant facilities in 1954 will approximate $170 million compared with about $190 million expended in 1953. This year's expenditure, however, will exceed the average yearly amount expended in the Company's $1.2 billion postwar expansion to date.

Population growth, the principal motivating force in the extraordinary economic development of this area since the close of World War II, is expected to continue at an estimated average rate of about 36,000 a month for the State as a whole. This should assure continued expansion of the California economy and new business development.

We anticipate continued industrial expansion to serve the expanded Western market, and corresponding growth in agricultural and commercial activities should result in a high level of employment. Home construction will continue on a major scale, although at a somewhat reduced volume as compared with recent years.

The outlook for the industry of which we are a part is good. Nuclear energy as a new source of power presents an exciting challenge and we intend to remain in the vanguard of developments in this field.

R. S. BLAZER

Chairman, Ashland Oil & Refining Co., Inc.

The conclusions reached by the experts assembled in Washington during December at the Mid-Century Conference on Resources for the Future confirmed previous optimistic forecasts of the long range industrial development of the United States and of the enormous increase in United States oil and total energy requirements over the next 25 years. It is believed that these requirements may reach two and a half times the present level by 1975.


R. S. Blazer

This trend would mean a steady and healthy growth for the petroleum industry. There appears to be no doubt, however, that the rapid rate of expansion of demand for petroleum and its products in the period of the Korean hostilities has now been reduced to a more normal rate. Domestic demand in 1954 is not expected to increase more than 4% over 1953 and exports are expected to decline by almost 20%, resulting in an overall

increase of somewhat less than 3%. Stocks of gasolines at the year's end stood at some 16% above the previous year's levels and burning oils were also in long supply.

Economists seem generally agreed that industrial output for the new year will probably decline about 6% below the levels of 1953. The prospect for the oil industry in 1954 is one of keener competition.

Within reasonable limits, increased competitive effort should bring substantial benefits to the consuming public in the form of improved quality and services as well as in lower costs. In the oil industry, however, demand is relatively inelastic. It does not increase proportionately as prices are reduced. Moreover, in response to requests by the government, reserve capacity in crude oil production and refining of the order of a million barrels a day has been created. The vast capital expenditures required to meet this request and to provide facilities adequate to meet rising demand for improved products have imposed a heavy burden on the capital resources of the industry, accompanied by an extraordinary level of carrying charges, which must be met from current earnings.

Under these conditions price cutting to uneconomic levels will produce only waste and economic chaos. The answer to the industry's immediate problem of oversupply lies, first, in a vigorous effort to find new markets and new outlets for new and improved products with such price adjustments as reduced costs and higher volume may justify and, second, in a careful evaluation by each individual operator of his market requirements and the close adjustment of output to demand.

In addition to temporary maladjustments in supply, the industry must be prepared to meet other and perhaps more serious challenges in 1954.

The problem of imports of foreign oil will require thoughtful consideration to provide solutions which take adequate account of the many complex issues involved.

The resumption of Iranian oil operations, if and when it occurs, will seriously disrupt world markets unless suitable arrangements are worked out well in advance.

No doubt the percentage depletion allowance and perhaps the basic pricing practices of the industry will again come under political attack. It is to be expected also that those who would impose additional governmental controls and restraints upon the industry, will seize upon every available excuse to further their purposes.

Self-discipline, industrial statesmanship and rigid adherence to the principles of free enterprise which have inspired and guided the petroleum industry to its past success will be its best reliance and surest hope in the days ahead.

RICHARD A. BOOTH

President, National Association of Mutual Savings Banks
President, Springfield Institution for Savings, Springfield, Mass.

Mutual savings bank assets in 1953 topped the $27 billion mark for the first time in the 136-year history of these institutions.


Richard A. Booth

The past year has witnessed a deposit gain of $1.8 billion, or 8%, to reach roughly $24½ billion on Dec. 31, 1953. Dividends paid to savings bank depositors during 1953 totaling $570 million were at a markedly higher rate than during the preceding year in most of the 17 mutual savings bank states.

Deposit gains in 1953 were slightly greater than the $1.7 billion increase of 1952 and were the greatest since the wartime peak of $2 billion in 1945. However, deposit growth appears to have leveled off during the year. For the first six months, gains were well above the increase for the corresponding period of 1952. The gains for each month were the largest for any corresponding month since compilation of monthly figures began in 1947, but during the third quarter they fell about 10% below those of a year ago.

The record of deposit changes during the year may also be traced in the record of relative changes in amounts deposited (excluding dividend credits) and withdrawn in regular accounts. After showing a greater gain over last year during the first quarter in amounts deposited than in withdrawals, the reverse was true in subsequent periods. As a result, except in the first quarter, the gap or excess of deposits over withdrawals was less this year than in 1952. In other words, net new money received from depositors—in contrast to interest-dividends credited to their accounts—has played a lesser role in deposit gains beginning with the second quarter of 1953 than it did a year ago.

During 1953, the number of accounts increased 2%, to top 20 million for the first time. As in 1952, over two-thirds the gain was in regular accounts, in contrast to club and other special purpose accounts.

The year 1953 witnessed an increase in mortgage holdings about one-eighth below the 1951 record gain of $1,708 million but roughly at the 1952 level. Over the first 10 months, gains in 1953 were running 2% above those during the corresponding period of 1952. Except in three scattered months last year, the monthly gains were greater than those during the same month the previous year. These gains occurred despite the lower level of construction activity in 1953 as compared with 1952 and indicate the banks' active interest and participation in their financing.

At the close of 1953, the savings banks' mortgage holdings had far outstripped their holdings of U. S. Government obligations, whereas both were just about equal at the opening of 1952. At the close of October, mortgage holdings equalled over 46% of assets, the highest since 1935, and holdings of U. S. Governments were 35%, the lowest since 1942. During 1953, government bond portfolios showed a further decline, but it was less than one-half the decrease of $384 million in 1952. Holdings of corporate and municipal securities also increased some $500 million, or one-sixth less than their 1951 gain. The difference in the 1953 pattern from that prevailing in 1952 reflects the changes in relative yields that occurred during the year.

Since the close of the war, savings bank deposits have increased by more than one-half from the level of $15.3 billion reached at the end of 1945. Mortgage holdings are three times the 1945 figure of $4.2 billion, and have risen from 25% to over 46% of assets, while holdings of U. S. Government securities, after reaching $12 billion in 1947, or 60% of assets, have declined below the $10 billion mark of 1945 and are now three-fourths of mortgage loans in both amount and percentage of assets.

The basic problem faced by the industry in 1953 has continued to be that of equalizing competitive conditions among the various classes of thrift institutions. The year witnessed a continued high level both of national income and of saving, but competition for the saver's dollar increased. An effect of this competition is seen in the fact that at mid-1953 the savings banks paid depositors an average rate of 2.47%, in contrast to 2.38% a year earlier. But they do not possess the power to make available mutual savings bank facilities in states which now lack such facilities. Even in the 17 states they now serve, they are restricted in their ability to extend their activities to additional communities. The savings banks are therefore continuing their efforts to secure legislation for wider branch privileges, for example, in New York State. Thrift institutions as a group are also facing new forms of competition, notably those involving security purchases by individuals.

Taxation remains a major problem. Conferences with the Treasury have sought to clarify the law and provide workable regulations. Upon these regulations and their application to specific situations which arise, largely depends the impact of the tax upon the banks and the modifications which taxation makes in savings bank

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operating policies. These effects have by no means crystallized to date. Another facet of the tax problem to which savings banks are alert is the announced re-examination of the entire problem of taxation by the new Congress.

From a long-range point of view, 1953 is significant for the attention paid to equity investment. Under the authorization granted them in 1952, New York savings banks put in operation their own mutual fund designed to facilitate such investment. Its initial success augurs well for the future. Savings bankers hope by this and other means to broaden the range of their investments, and to find a partial solution to the problem of maintaining earning power adequate to help them meet the increased competition that they face.

The outlook in 1954 continues favorable. Any recession in national income is likely to be of limited rather than major proportions. Savings should continue at a high level.

ANDERSON BORTHWICK

President, First National Trust & Savings Bank, San Diego, Calif.

Business conditions during the year 1954 cannot be isolated from the events of the past for the purpose of evaluation. Only in our measurement of time is it possible to turn over a new leaf when the clock strikes midnight on Dec. 31. Our national economy still rests on the foundation created in the years gone by.

Anderson Borthwick

Therefore, if we think of 1954 as an extension of recent months, a product of at least a decade or more of time, rather than a brand new chapter apart from history, then a clearer outline of economic developments over coming months will perhaps emerge.

General business activity in the United States rose to an all-time high in the second quarter of 1953. Gross national product totaled $372.4 billion, up 7% over the 1952 average; the Federal Reserve Board index of industrial production reached 137 (1947-49=100); and, new records were set in most other segments of the national economy.

It has been obvious for several months, however, that this exceedingly high level of production, employment and income could not be maintained without artificial stimulants which the present Administration is reluctant to impose.

A moderate downward adjustment in economic activity has been in progress since late August. But it is encouraging that this retreat from a record peak has been orderly. There are no signs of panic, and because this adjustment has carried into 1954, it is safe to assume that it will be the predominant force in business until perhaps mid-year.

It was a necessary adjustment because during most of 1953, and particularly in the second and third quarters, production exceeded effective market demand. Furthermore, the high level of demand which did exist was based to a considerable extent on a continued expansion of consumer credit.

Over the longer-term, however, these temporary weaknesses in our economy will be more than offset by its fundamental strength. The securities market has not reflected the speculation which was perhaps an important factor leading up to the depression of the 1930's.

The American banking system is strong and appears to command the full confidence of the public; a very substantial backlog of liquid savings is available to consumers when their estimates concerning the most opportune time to buy improves; and, in balance, it is easy to cite sources of potential economic strength that far outweigh present evidence of weakness.

The present challenge to business, labor, agriculture and government is simple. The year 1954 should be a period in which we prepare the foundation to a new assault on yesterday's peaks in production, employment, national income and sales to the consumer.

But the methods employed in this mighty effort are vital to our future. It should be based on the production of new and improved products which will appear to the consumer; volume should be attained by a continued increase in our effective buying power which can only result from greater efficiency on the parts of both management and labor; and, if such progress is to invite stability, there is no place for utilization of marginal credit, unnecessary government spending or monetary and fiscal policies designed to create a wave of inflation.

My own confidence in the innate capacity of the American people for exercising good judgment and common sense leads me to voice the opinion that 1954 will be unspectacular, but nevertheless filled with accomplishment.

The downward tendencies that will persist until the end of the second or third quarter in most lines of business will increase the efficiency of both management and labor and these gains will accrue to the benefit of the consumer. Production, employment and income will remain at a satisfactory level—off not less than 5 or more than 10% from the 1953 average.

Composite price indices may reflect remarkable stability, but fluctuations of individual commodities and individual items of manufactured goods will make prices an important factor in business.

The demands of the Federal Government for new money, and the task of refunding maturing obligations, seem to assure a relatively easy money market. Interest rates, at least for the immediate future, seemed to have receded from the peak of several months ago.

And, insofar as the corporate executive, charged with the responsibility of doing business in this economic climate is concerned, this final projection: While it is true that some decline in aggregate business activity is indicated, it is safe to assume that more alert and aggressive managements will continue to set new records.

E. O. BOSHELL

President and Chairman, Westinghouse Air Brake Co.

Westinghouse Air Brake Company, founded in 1869, supplies the railroads of America and foreign countries with a wide variety of braking equipment and signal systems. We believe that railroad freight car orders and replacement parts will produce a steady, substantial business for its Air Brake Division in 1954. We feel that the potential of an expanding foreign market for air brakes, especially in South America, is also encouraging.

E. O. Boshell

As an acknowledged leader in the railroad equipment field, we are confident that this industry which is our biggest customer is facing a fine future. Our research activities for new and better products in this promising field have been greatly expanded and intensified.

We feel especially that the economies and efficiencies available to the railroads through the growing use of centralized traffic control systems, retarder and control equipment for classification yards, as well as other signaling and communication devices supplied by our Union Switch and Signal Division, will produce an expanding market in this field.

To make better use of Westinghouse Air Brakes' working capital, we have gone into the earthmoving business via the purchase of LeTourneau-Westinghouse Co.; the portable compressor, air tool and engine field through the purchase of Le Roi; and the portable drilling rig business by the acquisition of the George E. Failing Co. We anticipate substantial growth in these businesses, which serve many important and growing industries such as the construction, mining, petroleum, agriculture, and others. Another subsidiary, Melpar, Inc., which serves as our central research laboratory, is also an important factor in development work for the government.

Westinghouse Air Brake Company's business in 1954 should be divided about equally between the railroads and other industries. This year should also see an accelerated coordination and integration of our diversification efforts. It will be our first full year of business activity with all of these companies contributing.

We look forward confidently to a substantial growth which will provide better products for our customers and greater security for our stockholders.

THOMAS C. BOUSHALL

President, The Bank of Virginia, Richmond, Va.

No matter how one reads all the forecasts for the coming year, the worst expected effect seems to be that 1954 will be the third best year in American history. Since 1953 has been the best, it is characteristic of us all that we want no backtracking in our dynamic economy. Hence there is some gloom, though no apparent despair about the next 12 months.

Thomas C. Boushall

There are some specific points which should be kept in mind during 1954:

First, that under no circumstances should American business look to the Federal Government to put this country back on the road to an expanding economy. We must do it ourselves under an Administration sympathetic to the business leadership of this country.

Second, that business must go out with increased effort and sell the American people and the world at large the products of our plants.

Third, that banking must stand ready to supply all the sound financing needed to round out the cycle of production, distribution, and consumption.

Fourth, that there can be no better way to raise take-home pay than through a reduction in income tax, thus putting money in the hands of 160 million people to spend as opposed to a few bureaucrats.

Fifth, a recognition of the fact that the best way to stimulate consumption is the reduction of prices adjusted to a cost of production which must and should be lowered as a result of (a) reduced taxes; (b) elimination of overtime; (c) increased efficiency through added mechanical and automatic processes.

Sixth, that the business genius of our country will continue to bring out new products and increase the quality of existing goods while reducing prices, thus creating a demand for the new and finer goods at lower prices.

It may well be that a year from now instead of looking back upon 1954 as an unpleasant year of adjustment following an unhealthy inflation, we may see a new solid floor laid down from which we shall go on building up an economy able to expand on a permanent basis.

The opportunity and the potential prospect are indeed challenges to all elements in the American scene.

Within this area of so great a potential, the banking business is ready to give a stalwart account of itself.

EMERSON S. BOWERS

Treasurer, Atlantic Gulf & Pacific Co.

For several years past we have pointed out that the outlook for our industry is linked to the growth and development of our country and, consequently, we were optimistic about our future welfare. But, we should like to reemphasize what we said last year that, while multi-billions are being spent for national defense a vital part of that defense, the improvement of the nation's harbors and channels, is being all but eliminated in the name of economy. Consider these figures. The "Civil Functions Appropriation Act, 1953" totaled $584,061,600; for the 1954 fiscal year $440,093,600, a saving of $123,968,000 in conformity with the Administration's program of economy. But, in the 1954 Act only $3,144,000, a little less than three-fourths of 1%, is provided for only eight harbor and channel improvements throughout the nation, while almost $50 million is provided for the McNary and Chief Joseph Dams. It is difficult for us and many others in the marine field to understand such discrimination. This great disproportion was approximately the same for the 1953 fiscal year. The drastic curtailment of river and harbor development which we expected to be an emergency measure continues and becomes more severe. We believe that this neglect is harmful to the nation.

Emerson S. Bowers

During his campaign President Eisenhower said, in part, in the magazine section of the Nov. 2 New York "Times" that, "The basic long-term issue of this campaign is between two totally different concepts of America and two totally different estimates of the American people.

"On the one hand, there is that school of thought whose spokesmen regard America as finished: a 'mature economy': a land of closed frontiers.

"There is another and opposite school of thought and of action. . . . It regards America not as a dead end but still at its beginning, in its youth. . . . America is far from a 'mature economy'."

Indeed, America is far from a "mature economy." But, it is undeniable that the development of harbors and channels, vital both in peace and war, is being neglected and is falling far behind other national growth.

On Nov. 4 last, the President also said: "It was up to the party in power to carry out a sensible program of progress that the American public will approve." Is it part of a sensible program of progress, at any time, to all but eliminate river and harbor development which means so much to the nation, both during peace and war? Of course, this means inactivity and unemployment in our industry. It is indeed an anomaly that idle men and equipment and undeveloped projects with great potential benefits should go hand in hand.

As harbor and channel development is a Federal function and as all our plant is designed for that purpose we, unlike other construction industries, cannot diversify. We reaffirm, that until a reasonable annual program of harbor and channel development is resumed our outlook is far from what it should be.

LYMAN B. BRAINERD

President, The Hartford Steam Boiler Inspection & Insurance Co.

Based on the industrial forecasts being made for 1954, the year should prove to be a satisfactory one for boiler and machinery insurance. Totals of both written and earned premiums recorded in 1953 are reported to have established new high records. However, it is entirely possible that these records may be equaled or even exceeded in 1954, because during the year there will come up for renewal the unusually large volume of business put on the books in 1951 in the form of three-year policies.

Lyman B. Brainerd

Some business indices have indicated a slight slackening off in the industrial pace. As yet, this has not made its effects evident in boiler and machinery insurance. The demand for high insurance limits continues strong. Possibly as a result of one or two very large business interruption losses resulting from catastrophic fires in manufacturing plants, there is a noticeable tendency on the part of many corporations to re-examine the use and occupancy limits under their boiler and machinery policies from the standpoint of testing their adequacy. But since, generally speaking, most manufacturers seldom manage to keep the upward adjustment of use and occupancy limits fully abreast of exposure during periods of rapidly increasing business activity, it would take quite a substantial softening in business to bring exposures down to such an extent that present use and occupancy limits would represent any degree of over-insurance.

The losses incurred under boiler and machinery policies can be said to have stayed within bounds during the past two years. This can be attributed in large measure to the accident-prevention service provided by the inspecting and engineering facilities of the insurance companies, which service promises to be of ever-increasing importance to policyholders as investments in and capacities of power units keep increasing. It is generally recognized by operators of power equipment that, regardless of the adequacy of insurance coverages and

limits, it is far better for any concern not to have an accident, for when accidents cripple production there are always intangible losses which no insurance can be designed to cover.

While volume in the line seems destined to continue high, so do expenses of doing business. The cost of materials needed for rehabilitating property damaged by accidents seems still on an upward trend. The same situation prevails with respect to all the many other items of expense, including that of travel, incident to the operation of a service organization such as a boiler and machinery insurance company. The prospect of this cost trend continuing is causing managements of the companies no small concern, for they are keenly conscious of the need for maintaining a margin between income and outgo sufficient to permit establishing reserves with which to meet losses of the jumbo size to which present high limits of insurance constantly expose them.

Volume should keep up, although with a decline in industrial production, the rate at which earned premiums have lately been increasing from year to year may well fall off somewhat. In summary, 1954 promises to be a good year for the industry, provided incurred losses and expenses of doing business stay within reasonable limits.

JOHN T. BROWN

President, J. I. Case Company

We believe that 1954 can best be described as a year of opportunity for the farm machinery industry. The farmer will be very much interested in doing anything he can to reduce his costs of operation or increase the yield from his acreage. Selection and use of the proper farm machinery is one of the best ways for the farmer to accomplish his objective.

John T. Brown

The need for continued high production of farm products in order to provide the necessary food and fibre for a high standard of living is an acknowledged fact. It follows that there will be a great need for large quantities of quality farm machinery.

Historically, the farm equipment industry has always been a highly competitive business. There is every indication that this condition will again prevail in 1954. Therefore, how well we do in the coming year will depend a great deal on our own efforts and whether or not we are willing to work hard and do those things which are necessary to effectively make the best of our opportunities.

Sales are going to be made on the farm and by the retailer who studies the farmer's requirements and offers him the machinery which will be helpful to the farmer.

Recent figures released by the U. S. Department of Agriculture indicate gross farm income for 1953 was at a very high level.

There are a tremendous number of farms where additional machinery, new machinery and different machinery will enable the opeprator to reduce his costs and increase his yields. With the American farmer's attention focused on improving the efficiency of his operation, 1954 is really a year of opportunity for all those involved in the farm equipment industry.

PRENTISS M. BROWN

Chairman of the Board, The Detroit Edison Co.

I approach the customary year-end business review and forecast sweepstakes with seemingly conflicting viewpoints. As a longtime members of a political party presently out of office, with an election in the offing, it is expedient and reasonable to emphasize the current drop in the many indices of business. As head of a large electric utility whose habit is to double its business every 10 years, it is equally suitable and reasonable to approach the subject in an optimistic light.

Prentiss M. Brown

The two seemingly conflicting approaches are reconcilable. The pessimistic outlook is for the short term and the latter or the utility approach is necessarily of a long term nature. Thus, consciously or subconsciously, I find myself lined up with the majority of professional economists who are predicting a moderate short-term recession and a rosy long-term outlook.

There will be some slowing up in Detroit Edison's rate of growth in 1954 but this is to be expected in view of the gain in 1953 being at a rate twice normal (7% compounded annually). Fortunately we are in a business that has never been directly threatened with three of the vulnerabilities to business existing today—excessive inventories; too much credit expansion; and declining farm income.

The percent of electric revenue received from the domestic class of service to total revenues is higher for Detroit Edision than it is for any of the utilities serving the larger metropolitan communities. This backbone business (38% of total) will increase in 1954 even if the threat of a temporary saturation of housing and consumers durables demand materializes. In a sense we will be able to grow off the fat of 1953. Our existing customers added many high usage appliances during 1953 and the gain in domestic customers was 48% more than in 1952.

Our industrial sales are estimated to be greater in 1954 than in 1953 even after allowing for a 10% decrease in automobile production. For years the Detroit area has been fabricating much more steel than it produced. The gap has been narrowing each year and the trend toward greater area self-suffciency in steel production will be given even greater impetus in 1954.

A review of the long term outlook with special emphasis on capital improvements is of more interest to me as my activities during the past 12 months have been centered in this field. With my associates, I have sold securities equal to $200,000,000 or one-fifth of a billion dollars to finance such projects. Some of this money has gone or will go for power plants and the other items necessary to generate and distribute electricity. Two of the projects are of special interest because they required political acceptance to accomplish. One is the building of my company's electrical interconnection with the Province of Ontario. This will prove of great benefit to both United States and Canada. The second project is the securing of funds to build a much needed bridge linking the two peninsulas of the State of Michigan. This was done by the sale of revenue bonds by the Machinac Bridge Authority, a commission set up by the state. The electrical interconnection project and the bridge can be considered private capitals' answer on a local basis to several problems facing the country today i. e., government in business; high taxes; and how to replace decreasing defense expenditures in the national economy.

In closing it can be argued that the expected deep postwar recession that has never come is being actually prevented by the widespread fear by everyone of such an eventuality, and the actions thereby engendered. It is now hoped that our salesmen friends will come out of their 10 year hibernation in 1954 and delay the expected even longer or possibly eliminate it altogether.

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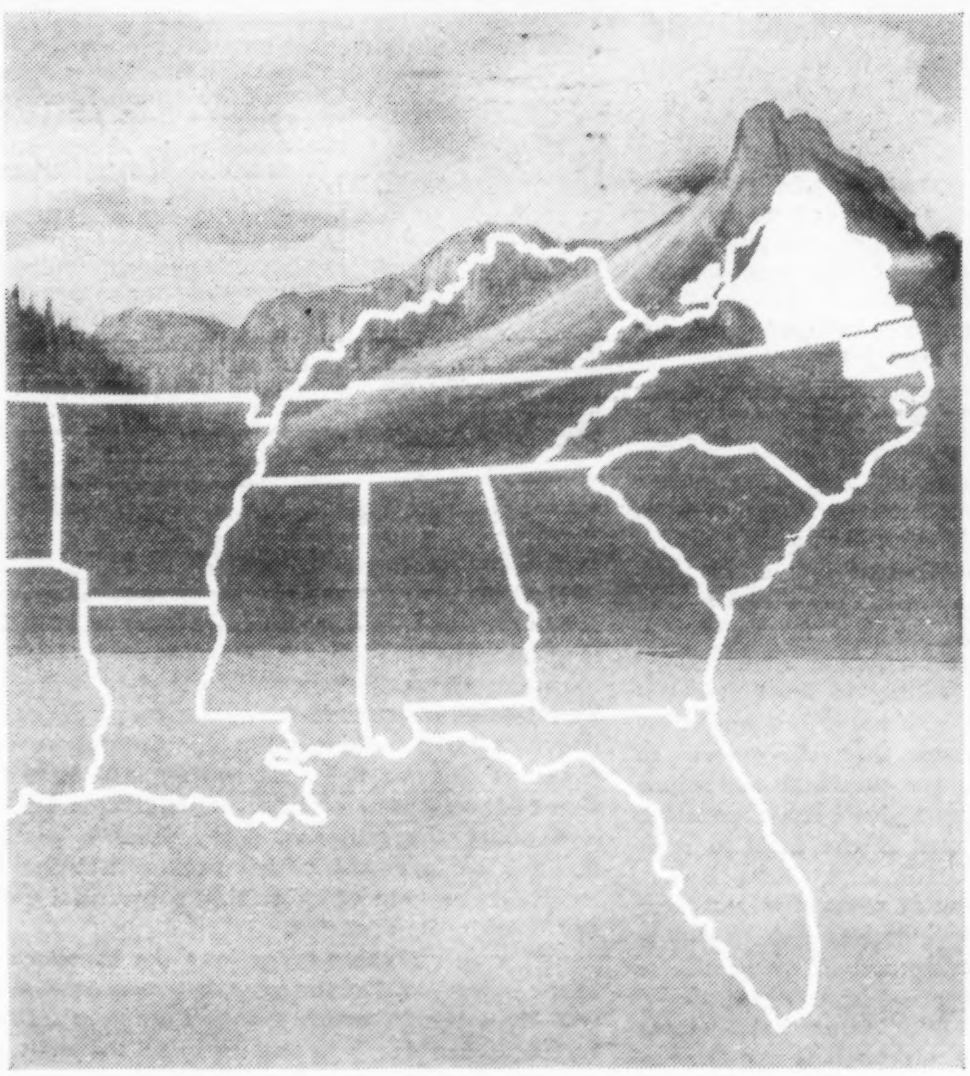
At the PEAK of the Industrial South . . .



THE Virginia Electric and Power Company provides Electric Power to about 600,000 customers within its service area embracing most of Virginia and parts of West Virginia and of North Carolina — "historyland" for thousands of vacationers the year round who come to study and to relive a period of American history so basic to our continued happiness and to the preservation of our economic system of Free Enterprise.

Predominantly agricultural at one time, this area is now dotted with a diversity of substantial industries which provide stable employment the year round and otherwise contribute to its sound economy and progressive development. These industries have found here —

. . . an abundant supply of raw material; ample and dependable electric power; plenty of water and nearby fuel supplies; a year-round climate favorable to industrial operations and an abundant supply of good native labor; also excellent transportation facilities, including the unequalled ports of Hampton Roads, for reaching the markets of the world with the finished product.

Our people and governing bodies are conservative with a friendliness toward industry born of an ingrained belief in the American system of Free Enterprise.

Vepco is actively inviting other industries to come and see, and consider the advantages here for *their* future progress and development.

For further information, write our Area Development Department at Richmond, Va.

VIRGINIA ELECTRIC AND POWER COMPANY

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JOHN M. BUDD

President, Great Northern Railway Company

We have just completed a very successful year for 1953 and look forward to 1954 with cautious optimism. Our cautious optimism is based on the general outlook at this time and the expanding territory served by the Great Northern.

John M. Budd

The Pacific Northwest is expanding rapidly. Water power has brought industry to the intermountain region of Eastern Washington, Idaho and western Montana. As evidence—the Aluminum Company of America has completed a new aluminum plant near Wenatchee, Wash., and the Anaconda Copper Mining Company is constructing another on Great Northern's main line in Montana. Irrigation projects are bringing more lands into concentrated agricultural production at several points. The largest of these in our territory is the Columbia Basin project in central Washington west of Spokane with large acreage adjacent to our line now in production.

A change in the economy of North Dakota through oil developments already is becoming noticeable. Lignite and other minerals offer unlimited opportunities in this area. The rich Red River Valley in North Dakota and Minnesota is as fruitful as ever. A third large beet sugar plant served by the Great Northern is now under construction in the valley. Iron ore continues as an important commodity on the eastern extremity of the railway and we are looking to a good iron ore movement in 1954. Indicative of our faith in future business conditions is the fact that our Board of Directors in October, 1953, authorized the expenditure of $6,356,000 for 37 additional Diesel locomotives and $6,000,000 for dome cars for our "Empire Builder."

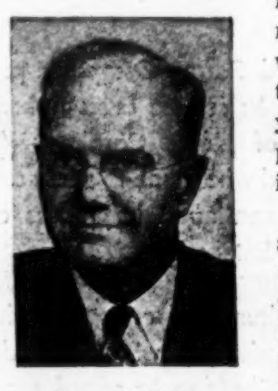
Crops, of course, are very important to the Northwest and are dependent upon climatic conditions. The modern farmer with diversification, mechanical production methods, better seed and more chemical fertilization is better fortified against adverse conditions than the farmer of a few years ago.

Morale and *esprit de corps* are important in any organization but I believe more so in a railroad with its far flung organization. With our organization and its modern physical plant I believe we will handle our share of the business in 1954 in an efficient manner and meet any problems which may arise.

HARRY A. BULLIS

Chairman of the Board, General Mills, Inc.

Like the weatherman, our economists can't be wrong all the time. They have been predicting changes in the economic weather. There are a few clouds on the horizon, but the rainy day is still in the future. Most economists agree on a prediction of mild recession in 1954. We know that business cannot go on expanding indefinitely without any setback or catching up periods. There have already been adjustments in some industries. We can expect other adjustments to take place during the coming year.



Harry A. Bullis

National production and economic activity has been at very high levels. A mild recession could be interpreted to mean a decline of 5% to 10% from the very large second quarter of 1953 when Gross National Product reached $372 billion. This would still leave us above the 1951 level of activity. The small decline in Gross National Product in the third quarter of 1953 was largely attributable to a slowing up in inventory accumulation. Total business inventories showed a decline in October for the first time in nine months.

As yet, personal consumption expenditures have shown no signs of falling off. During the third quarter of 1953, people spent considerably more money than during the third quarter of 1952. Mass purchasing power is higher than ever before.

Barring unforeseen international developments, it seems to me that the most important overall factors in the business situation are Government financing and mass purchasing power.

It looks as if money rates will continue relatively easy during 1954. This will facilitate the Government's huge refinancing program, involving some $40 billion of marketable securities, $8 billion of savings bonds and $20 billion of short-term obligations. In addition, any fiscal deficit will have to be financed and may amount to perhaps $5 billion. The size of next year's budget depends in a large measure on expenditures for defense. While the amount will be pared down, it will still be high. The result of the Government financing program will probably be mildly inflationary.

Mass purchasing power is augmented by consumer credit which expanded by about $4 billion during the past year. The increase was largely in installment credits. Nearly two-thirds of the increase was in automobile financing.

Total consumer debt is about $28 billion, having increased $23½ billion since the end of World War II. This large burden of debt might be alarming were it not for the fact that consumer savings have increased from a little under $97 billion in 1945 to a total of about $252 billion. About half of these large savings is liquid—in the form of cash in banks and Government savings bonds.

It would seem that 1954 will see a large supply of both credit and money, which should continue to generate a high level of business activity. This conclusion is predicated on a reasonably high level of employment.

In my opinion, employment will continue on a high level in 1954. I am not overlooking the fact that unemployment has increased in the last few months. The workers who have been released by the seasonal swing in agricultural employment have not been absorbed by industry. The number of non-agricultural workers did not show appreciable change during the fall months. According to the Department of Commerce total unemployment in November was 2.3% of the labor force.

Expenditures for plant and equipment have been high all through 1953 and the forecast for the first quarter of 1954 indicates little change. New construction was exceptionally high in 1953 and bids fair to continue high well in 1954. According to recent surveys, industry plans to spend almost as much for plant and equipment in the first quarter of 1954 as in the last quarter of 1953. Production of automobiles and steel will probably be lower than in 1953, but there is no evidence of a severe decline. For instance, automobile production is expected to be 5 to 5½ million passenger cars as compared to 6 million in 1953. Steel production in 1954 is expected to be 95 to 100 million tons, or perhaps about 80% of existing capacity. In the year just ended steel production was about 112 million tons, or 95% of capacity.

As long as activity in construction and the heavy industries remains high, employment will be at a fairly satisfactory level.

The wholesale price index has been relatively stable for several months. Declines took place in prices of agricultural products, while prices of manufactured products increased sufficiently to compensate. I do not look for an early resumption of the decline in wholesale prices which was in evidence a year ago, but we may see further weakness in prices if business inventories resume a high rate of increase and agricultural surpluses pile up next fall.

Our farmers were hurt last year by the drop in farm prices. However, prices for farm products have been better recently and acreage restrictions may keep surpluses from growing larger in 1954. We hope that an agricultural program will be worked out to give the farmer reasonable security and reasonable purchasing power, while also assuring consumers of a plentiful food supply.

Corporate earnings are holding up well. They were somewhat higher in 1953 than in 1952, but most of the increase goes to Uncle Sam in the form of taxes. With relief from the excess profits tax, the business climate will be improved and I hope there will be more money to re-invest for new equipment and new plants. Every year the labor force increase and corporate expansion provides most of the new jobs. Re-investment capital is a source of funds for business expansion.

The consumption of electricity continues to increase and an estimated increase of 7% or 8% is expected in 1954. The oil industry will undoubtedly continue to expand even though stocks are somewhat heavy at the present time. Some of our large chemical companies are planning for increased business during 1954.

I am not overlooking the less optimistic factors in our economy. The leveling off in defense expenditures and the reduction in foreign aid are inevitable. As Government spending declines, production will drop unless business spending and consumer spending together with increase in private foregin trade can take up the slack.

If consumers should become fearful and defer purchases of consumer durable goods, automobiles and houses, a serious situation could develop. Business must recognize the fact that we are no longer in a sellers' market. We need to gear our selling to meet new developments. Consumer wants are unlimited and they can be made to grow even faster than the growth in population. New products, better products and more efficient distributing methods will give people more for their money. Here we have one of the keys to continued prosperity.

My reasonably optimistic view of what is in store for our economy in 1954 is, of course, based on the assumption that there will be no deterioration in world affairs during the coming year.

I believe we are warranted in concluding that business will be quite good during 1954, although it may be reduced under the peak levels of 1953. Money will continue to be in plentiful supply; employment will be active and individual purchasing power will be high. The so-called "rolling readjustments" which have taken place in some industries undoubtedly will continue. These will probably amount to what our economists call "mild recession."

There will be keener competition and greater emphasis on efficient merchandising. I believe our scientific ingenuity in research and production will bring new products and improved products to the people of America.

The efforts of President Eisenhower and the Administration to reduce expenditures and balance the budget indicate a trend which is basically sound. Tax reduction will transfer spending power from the Government to the people. I have great faith in the American people and I have equal faith in American businessmen to adapt themselves to changing conditions which will confront them in 1954.

HON. HUGH BUTLER

U. S. Senator from Nebraska

On this occasion it is a real pleasure to extend greetings and best wishes to all readers of the "Commercial & Financial Chronicle" for a successful and prosperous 1954. For many years the American people have been subjected to a stream of official propaganda to the effect that the American economic system could not function or survive unless it was supported by massive government spending, constant government interference and intervention in every phase of the economic system, and steadily increasing debts and taxes.

Hugh Butler

We have just completed the first year of an Administration which has utterly rejected this reckless philosophy. This new Administration has been making a valiant effort to put our financial house back in order, to curb the virus of Federal handouts, and to make the kind of savings in expenditures which will permit essential tax reductions. In this effort it has met with an ever-increasing measure of success.

As a member of the Senate Finance Committee I intend to do everything I can to further policies along those lines.

If I were to select one message to leave with your readers, I would emphasize the basic importance of reducing Federal expenditures as the key to many of the Federal policies. Without major reductions in the rate of Federal spending, it will be difficult or impossible to bring into being sound credit policies, a balanced budget, and worthwhile tax reductions. On behalf of all those of us who feel that our financial soundness may well determine the future of our nation, I urge all your readers to support this effort to hold down Federal spending.

HON. HARRY F. BYRD

U. S. Senator from Maryland
Chairman, Committee on Finance

The first Eisenhower budget will be submitted to Congress and the country on Jan. 21. Two principal pledges of the Eisenhower campaign were to clean up the fiscal mess in Washington and balance the budget.

Harry F. Byrd

The President's request in his State of the Union Message for raising the debt limit indicates contemplation of more deficit spending.

It is my considered judgment that, if President Eisenhower's first budget is out of balance and the debt ceiling is raised, the budget will not be balanced during his Administration.

This would mean renewal of deficit financing and continuation of the fiscal mess of the previous Administration which was characterized by declining value of money and the other hazards of fiscal irresponsibility.

In this situation, the proposal to raise the debt limit from $275 billion to $290 billion assumes great importance. In the first place, there is no need for the increase during the current fiscal year, ending next June 30, according to the Treasury's own figures. In the second place, to grant it for next year would invite extravagance in action on the new budget.

During the past six months the debt ceiling has been an effective instrument for reduction of Federal expenditures. Since the Senate Finance Committee tabled this proposal to raise the debt ceiling last August, Federal fiscal officers have reduced expenditures nearly $2 billion under the estimate. They deserve commendation for this achievement which proves that the Executive Branch is capable of exercising substantial control over spending by its agencies.

As a result of these reductions, the Treasury's position in the second half of the year, between now and June 30, will be better in every month than was estimated last August when the proposal to raise the debt limit was submitted. And revised official estimates now indicate the Government will end the fiscal year with operating room of $9.5 billion in cash balances and unused borrowing authority.

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$79,800,000 Mackinac Bridge Authority Bonds Marketed

Public offering of $79,800,000 Mackinac Bridge Authority 4% Bridge Revenue Bonds, Series A, dated July 1, 1953 and due Jan. 1, 1994 was made on Jan. 18 by an underwriting syndicate of approximately 160 members under the co-management of Union Securities Corporation, Allen & Company, A. C. Allyn and Company, Incorporated, and Stifel, Nicolaus & Company, Incorporated. The bonds are priced at 99% and interest. The Mackinac Bridge Authority is an Agency and Instrumentality of the State of Michigan; the State has appropriated funds from Highway Department revenues in sufficient amounts to pay all expenses of operating, repairing and maintaining the bridge until the bonds are retired, subject to a limitation of $417,000 in any year.

The bonds were awarded to a group comprising the four comanagers on Dec. 17, 1953. The group was also awarded on Dec. 17 an issue of $20,000,000 Mackinac Bridge Authority 5¼% Bridge Revenue Bonds, Series B, due Jan. 1, 1994 but no public offering of the Series B bonds is contemplated at this time.

Net proceeds from the sale of the Series A and B bonds will be used to finance construction of a vehicular bridge across the Straits of Mackinac.

The bridge will be the sole vehicular crossing of the Straits of Mackinac, which separate the Upper and Lower Peninsulas of the State of Michigan. It will extend from Mackinaw City in the Lower Peninsula across the Straits to a point near St. Ignace, Michigan, a distance of nearly five miles. The bridge, which will supplant inadequate ferry facilities, is the culmination of exhaustive studies conducted since 1920 and will be a four-lane structure. Contracts for the construction of the bridge foundations have been awarded to Merritt-Chapman & Scott Corporation and for the construction of the superstructure to American Bridge Division, U. S. Steel Corporation. The bridge is expected to be opened to traffic on Nov. 1, 1957.

The Series A bonds are accorded priority over the Series B bonds wtih respect to the payment of interest, and, as long as any Series A bonds are outstanding, the entire amount of excess funds available for redemption must be applied to the retirement of the Series A bonds. According to the traffic engineers' estimates, based on their projections of probable traffic and revenues, all of the Series A bonds will be fully paid off by 1974.

Under State law, the Mackinac Bridge Authority must charge sufficient tolls to provide for the payment of principal and interest on all Authority bonds, any expenses not cared for by the highway department, and the creation of reserves for such purposes.

Net toll revenues of the bridge during 1958—the first full year of operation—are estimated by the traffic engineers at $5,935,000, with a gradual growth thereafter to $10,851,000 in 1974, the year in which the Series A bonds are expected to be finally retired from redemption funds.

The bonds are redeemable by call at prices which range downward from 103%, or by market purchase.

Among other members of the underwriting syndicate are: Ira Haupt & Co.; Hayden, Stone & Co.; Hirsch & Co; Jones, Kreeger & Hewitt; W. C. Langley & Co.; Blair, Rollins & Co. Incorporated; Dempsey-Tegeler & Co.; R. W. Pressprich & Co.; Dean Witter & Co.; Bache & Co.; Dempsey & Company; Francis I. duPont & Co.; Johnston, Lemon & Co.; Wm. E. Pollock & Co., Inc.; Reynolds & Co.; Salomon Bros. & Hutzler; Townsend, Dabney & Tyson; Tripp & Co., Inc.; Auchincloss, Parker & Redpath; Gregory & Son Incorporated; The Ohio Company; McDougal & Condon, Inc.; Hayden, Miller & Co.; DeHaven & Townsend, Crouter & Bodine; Byrne and Phelps Incorporated; Crutten & Co.; Foster & Marshall; Leedy, Wheeler & Alleman Incorporated; Merrill, Turben & Co.; The Robinson - Humphrey Company, Inc.; Scott, Horner & Mason, Inc.; Talmage & Co.; Green, Ellis & Anderson; Atwill and Company; Clayton Securities Corporation; Dreyfus & Co.; Eldredge & Co. Incorporated; The First Cleveland Corporation; First Securities Company of Chicago; Wm. P. Harper & Son & Co.; W. E. Hutton & Co.; Mason - Hagan, Inc.; Mullaney, Wells & Company; Roosevelt & Cross Incorporated; and G. H. Walker & Co.

With Thomson, McKinnon

(Special to THE FINANCIAL CHRONICLE)

LIMA, Ohio — Alvin A. Fosse has joined the staff of Thomson & McKinnon, 121 West High Street.

It is now 75 years since the first bar of Ivory Soap was made and sold by Procter & Gamble. Today, Ivory is one of the oldest, most famous and most successful soaps in all the world.

Year after year, we have kept this product young and growing—in one of our country's most competitive fields. One reason is that Ivory Soap has been improved *time and time again* over the years—despite the fact that housewives were always well satisfied with it as it was!

The babies used in Ivory advertising, decade after decade, never seem to grow old. We like to feel that the Company, too—for all its 117 years—enjoys the same sort of perennial youthfulness.

To us at Procter & Gamble each succeeding year is not just one to be added to our long history, but one in which to reassert our youth, by introducing new and better products and by making every possible improvement in our existing brands.

By striving constantly to give the nation's housewives the finest possible soaps, detergents and shortenings, Procter & Gamble has been able to enjoy steady, healthy growth for many, many years. This growth and progress, in turn, has enabled the Company to become a leader in providing Guaranteed Employment, Pension and Profit-Sharing Plans and other benefits by which our employees may share directly in the Company's continuing success.

Procter & Gamble

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ALLARD A. CALKINS

Chairman of the Board, The Anglo California Nat'l Bank of San Francisco

As 1954 opens, there are many indications that a readjustment in business is under way. Railroad carloadings for a number of weeks have been moderately below the levels of 1951 or 1952. The Federal Reserve index of industrial production has sagged since mid-1953 from 240 to 228 in November, influenced heavily by decline in the durable goods component from a high of 328 in March to 299 in November. Total business inventories increased rather steadily during 1953 by about $5 billion, while sales failed to increase correspondingly and were in a definitely declining trend in the latter months of the year. New orders are reported to be below shipments so that backlogs are declining for many manufacturing companies. Significantly, average hours worked in selected industries declined from an average of 41.1 in November 1952, and a monthly average of 40.7 in 1952, to 39.9 in November, 1953. Expenditures on new plant and equipment remained at high levels and attained a new high in each of the first three quarters of 1953. With plant expansion projects under the defense program approaching completion the prospects favor some decline, but nothing like a collapse. Agricultural income declined appreciably, about 5% in 1953, influenced by generally lower and declining prices for farm products.

Allard A. Calkins

Most of these fascinating statistics are to be found in the excellent publication, "Economic Indicators," prepared by the Council of Economic Advisers for the Joint Committee on the Economic Report. The Congress and the Administration will be keenly aware of these trends in our economy and politico-economic measures may be expected which will be designed to counteract adverse trends and to prevent them from going to such lengths as to cause great distress. We are in new economic territory at the culmination of this prolonged wartime and postwar boom and it remains to be seen whether the new environment will, as so many economists and businessmen expect, modify the severity of the adjustment from boom levels. Never before have we had a tax structure that forced the U. S. Treasury to share in the adversities of business to the extent that will now be the case; never before have we had unemployment insurance to cushion the financial shock of recession as it affects the very people who, as producers and consumers, make our mass-market economy possible; never before have we had the present philosophy of management to keep people employed, at reduced hours if necessary, but on the payroll as long as possible; never before have we had so little speculation and such sound personal and business financial positions at the peak of a boom.

There is no apparent possibility that the business readjustment will involve a drastic liquidation such as has characterized some recessions in the past. The Federal Reserve System's powers to adjust the supply of money and credit are greater and better understood by bankers and the financial leaders of business than ever before. Fiscal measures cannot prevent a needed correction of business imbalances, but they can prevent extreme financial pressures that have heretofore led to panics. Mortgage lending on an amortization basis, consumer instalment financing related to financial ability of the borrower and business lending on a discriminating basis in the recent years are elements of strength in the financial picture.

We expect some decline in commercial loans during 1954 as a natural result of inventory reductions and curtailment of expenditures for new plant and equipment by business concerns. We expect a leveling off in the heretofore rising volume of consumer credit. Commercial deposits may decline slightly but savings deposits we believe will continue to increase as individuals continue to fortify themselves against possible personal adversity. Total bank deposits are closely related to total loans and investments. They are therefore influenced by Federal Reserve and U. S. Treasury policies and these agencies are under the mandate of President Eisenhower to work harmoniously together for the good of the country. That their joint policies will provide adequate credit for the needs of the economy is a foregone conclusion and any contraction in total loans and investments of banks, and hence of deposits, will be nominal.

The American businessman is the unrecognized hero in the battle that has conquered inflation. With his genius to create production he has built plants that are capable of supplying all legitimate defense needs, plus consumer demands—and more. The readjustment period we face is one of increasing competition to distribute the product more widely and to meet consumer desires beyond basic needs—the new home in the suburbs, the second automobile, a power mower, the second TV set, a high fidelity phonograph, more sport clothes and equipment to enjoy a newfound leisure that productivity has made possible for all of us. Population growth is a factor that will aid the full use of our expanded productive capacity but competition and salesmanship are the basic tools of the individual business enterprise to spread the benefits of production. The period of readjustment that lies ahead in 1954 will be one of opportunity for the efficient and foresighted businessman and not a time to be fearful or timid.

GEORGE S. CASE, Jr.

President, The Lamson & Sessions Co.

Prospects for business activity in 1954 look favorable. Business activity could be as high as was experienced in 1953. Profits may be lower even with the unlamented demise of the excess profits tax. Conditions will be very competitive, with the result that some concerns with high costs or poor service may suffer. Labor rates probably will increase, and it will be impossible to pass the higher cost on to the consumer.

George S. Case, Jr.

Our order book gives evidence of our customers having their inventories of our products—bolts and nuts—in balance. Our sales representatives find our customers optimistic about both the short range and the long range future. While our backlog is low, our orders are higher than they have been in many months. Our competitors seem to be in the same position. This promises well for industry as a whole as our industry has been a good barometer.

Future growth in the level of the standard of living depends upon the tax situation. Taxes depend upon the degree of world tension and the efficiency of all government, local, state, and Federal. Governmental efficiency is improving as the public takes interest. Fortunately, there are faint indications of decreasing world tensions. Not enough to lower our guard, but enough to give hope for a more peaceful world to be enjoyed by our children and grandchildren.

Uncertainty is normal now. Uncertainty breeds fear. That is good as it would be very dangerous today to be sanguine. To relax our guard in the world might very well see the end of freedom in the world. For all segments of our economy to relax their efforts to produce and distribute more and better products for less cost would result in a gradually lowering standard of living for us all.

In short, optimism seems justified, but careless optimism would be fatal.

O. W. CASPERSEN

President, Beneficial Loan Corp.

When you look at the measuring rods for business activity you see that statistically we have been in a process of readjustment since March-April 1953 when the Federal Reserve Board index of physical production reached a peak of 243.

O. W. Caspersen

Since then automobiles and many household applicances are in a buyer's market; consumer housing starts are down; farm income is down; defense spending is down and inventories are high. More readjustment appears to be ahead, but how far it will go or how long it will last is uncertain.

Comparison with the recession of 1949 gives a point of reference. In that year the Federal Reserve Board index of production dropped 9%.

A drop of 9% in physical production is magnified in some areas of the economy and minimized in other areas. For example, a drop of 9% in physical production became a drop of 16% in freight car loadings, 6% in department store sales, 3% in national income, and only 0.6% in consumer disposable income.

Although consumers had $1.2 billion less in take-home pay, they actually spent $700 million more than the year before. They were able to do this because in 1948 they saved $10.5 billion; and in 1949 they cut savings to $6.7 billion. This change in savings reveals that the consumer maintains his standard of consumption in the face of some drop in income. It is the standard of consumption that sparks production, creates continuity of employment and converts purchasing power into actual purchases.

In 1949 when physical production fell off 9%, the recession didn't show up in consumer credit at all. In that same year, all forms of consumer credit increased by $2.7 billion or 20%. Instalment credit alone accounted for $2.5 billion of that increase, and small loans for $112 million.

We don't know whether the current adjustment will have the same kind of effect on consumer credit and on small loans as in 1949. We do know that without a backlog of demand for consumer durables, consumer credit as a whole may expect to go up, if at all, more slowly.

Even if all consumer credit slides off, small loan credit may still hold level or expand. During World War II volume and outstanding of sales credit contracted much faster than loan credit, and small loan credit shrank least of all. The reason is that small loans finance emergencies and opportunities in family life that occur with some degree of actuarial regularity that is independent of the state of business.

In the postwar catch-up period, time sales credit went up four times as much as loan credit. While consumer durables were prospering, consumer soft goods were going through an adjustment.

The degree of adjustment expected depends on the psychology of the consumer.

Consumers have income and liquid resources to increase expenditures enough to off-set decreases in other areas of the economy. Consumers are "open-to-buy" if business and industry offer attractive values and do aggressive promotion, marketing and advertising. More consumer credit is needed to bring production and consumption into balance at higher levels in the standard of living. We have faith in the consumers' dynamic drive for higher standards of living.

In 1954 Beneficial will increase the number of subsidiary loan offices and the investment in them.

A. K. CHAPMAN

President, Eastman Kodak Co.

In 1953, Eastman Kodak Company has had the highest overall sales in its history. We are looking forward to another good year in 1954.

A number of economists have forecast a moderate downturn in business generally during the year. Nevertheless, we anticipate a good level of business, and our production, sales, advertising, and other plans are being made accordingly. It is too early to speak with complete assurance, but it is probable that our expenditures on new and improved facilities and products will be higher in 1954 than in 1953.

Dr. A. K. Chapman

While we recognize that there may be some ups and downs ahead, we are optimistic for the "long pull." For quite some years, we feel, the photographic industry as a whole has had a faster rate of growth than has business generally. This has been true for the Kodak Company individually. We believe there is plenty of opportunity for the future growth and progress of photography, and our planning reflects this belief. In addition, a number of our operations that relate to the Chemical fields have shown good progress.

NORMAN CLEAVELAND

President, Pacific Tin Consolidated Corp.

The prospects for the tin mining industry in 1954 are dependent primarily upon:

(1) The plans of Moscow and Peiping for further aggression in southeast Asia, which is the source of about two-thirds of the world's tin supply;

Norman Cleaveland

(2) Whether our Washington authorities carry out a recent proposal to dispose of some 40,000 tons of tin on the market, with the obvious effect of further depressing the tin price. It has been indicated that this tin was purchased by the RFC "in excess of stockpile requirements."

Tin producers have reason to fear the worst because:

(1) The steady improvement of the political situation in southeast Asia was halted at the end of 1953 by a resurgence of Communist violence in Malaya and a deterioration of the situation in Indo-China and Indonesia;

(2) It has been felt by the industry for some time that the tin tonnages contracted for purchase by the RFC might be in excess of stockpile requirements and that, in spite of repeated assurances from Washington to the contrary, those who control the stockpiles might make further use of them for depressing the price.

The world's tin production has been substantially in excess of industrial consumption for the past six years and this excess has largely been absorbed into stockpiles. The tonnage now stated to be "in excess of stockpile requirements" is equal to about 25% of the world's yearly production. Unless steps are taken by intergovernmental agreement to stabilize the industry, severe economic effects, such as are now evident in Bolivia, will inevitably spread to other tin-producing countries. The result would doubtless be a collapse of resistance to Communism in some of these vital areas of the free world.

Tin producers in southeast Asia have been faced since the end of World War II with production problems probably without equal in the entire free world. The war-stricken industry had to be rehabilitated after the Japanese occupation, in the face of acute material shortages, social revolution and political unrest which, in Malaya, broke out into an open Communist insurrection in 1948. This war has now been fought for 5½ years with no appreciable aid from the U.S.A.

Instead of receiving help, the tin producers, particularly the Malayan producers, have been sujected, by actions in Washington since 1951, to a series of economic measures such as import embargoes, consumption controls, subsidization of competition, and use of government stocks to affect tin prices. These actions have been rationalized to the American public by unfounded charges featuring a mythical cartel and rigged markets. While American taxpayers have been financing this irresponsible propaganda, they have also been financing, through the State Department, an extensive "campaign of truth" in tin-producing areas.

It is now hoped that the Washington administration, with the aid of the Report of the Randall Commission, will adopt policies on tin more in accord with the facts of the situation and will bandon those phases of recent policy which have been so harmful to the prestige of the United States in tin-producing areas. Far more than the price of tin is at stake.

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LETTER TO THE EDITOR:

Readjustment Toward Normal Economy Termed Desirable

Samuel Penski, of Miami Beach, Fla., says public should understand that neither business nor stock market, nor any other economic mechanism, can go only in one direction.

Editor, Commercial and Financial Chronicle:

I believe that the views expressed below deserve greater acceptance than is current, even though my name does not carry the prestige usually associated with space in your valued publication.

A recession is with us now and has been with us a number of months already. This economic situation, now becoming apparent to the general public, is already generating fears of a depression, and the government is being pressured to take preventive action at once—preventive action as to a fear that an unwanted condition may arise! The public is completely disregarding the report at last week's convention of 6,000 leading scientists at Boston "that their newest equations indicate that the pull and tug of a free enterprise economy can work better than the 'semi-managed' free enterprise system attempted in the U. S. during the past 20 years on the advice of economic scientists." ("Wall Street Journal," Jan. 5, 1954.)

It seems to me that the public ought to understand clearly that they can't have their cake and eat it too. The public should understand that neither business, nor the stock market, nor any other economic mechanism in our presently constituted political economy can go in only one direction, to wit: up. It seems to be just plain common sense that if we are to have even a modicum of economic freedom, upon which our political and other liberties are based, we must allow these economic mechanisms to vary from a normal course. Call these movements cycles, compensations, actions and reactions, or what you will — the phenomena are present wherever restraint is absent. As Emerson has pointed out in one of his essays, in nature we have heat and cold, ebb and flow of waters, male and female, inspiration and expiration, systole and diastole, motion and rest *ad infinitum*. "The same dualism," continues Emerson, "underlies the nature and condition of man. Every excess causes a defect; every defect an excess." Such is the nature of man's progress. If we are to progress economically at all, it will only be by fluctuations of some magnitude above as well as below an upward trending mean.

A few extremes or "excesses" of the past will explain the present situation. In the depression of the 1930's consumption and investment had declined to a minimum. Then came World War II, during which for an additional number of years consumption and investment were kept at a minimum. During the said period enormous debt had been liquidated, and purchasing power had been further inflated by an enormous inflation of currency in the hands of the public. When, after the war, restraints had been removed, a boom was guaranteed. Then, on top of this boom came Korea, and rearmament once more, adding enormous pressure to the already existing seller's market. Fortunately, the average citizen had learned from the depressed 1930's. He has been and continues to be aware that demand as then existing was extraordinary and temporary; that some day demand would revert to the ordinary, and to this extent readjustment would be necessary.

Readjustment to more normal conditions not only should be expected but it should be desired; and it is my opinion that too many of us in business as elsewhere had anticipated the readjustment for it to have more than temporary ill effect.

So let's understand our economy. Let's not write to our Congressman for help every time our pet statistical index starts to decline.

Very truly yours,

SAMUEL PENSKI.

7509 Cutlass Ave.,
Miami Beach 41, Fla.

NASD District No. 8 Elects New Officers

CHICAGO, Ill.—J. Gordon Hill, partner of Watling, Lerchen & Co., Detroit, Mich., was elected to the Charimanship of District Committee No. 8 of the National Association of Securities Dealers, Inc., to succeed Newton P. Frye.

The newly elected Vice-Chairman is David J. Harris, President of Sills, Fairman & Harris, Incorporated, Chicago, Ill. Messrs. Hill and Harris are serving their third year as members of the Committee.

John F. Brady, Secretary since 1942, continues as the Executive Officer of the Association at Chicago.

District No. 8 is constituted by the States of Illinois, Indiana, Iowa, Michigan, Nebraska and Wisconsin.

On Jan. 15, 1954, Andrew M. Baird, A. G. Becker & Co., Incorporated, Chicago; Carl A. Falk, Buffett-Falk & Company, Omaha; Roy Falvey, Thomas D. Sheerin & Co., Inc., Indianapolis, Ind., and Richard W. Simmons, Blunt, Ellis & Simmons, Chicago, became members of the Committee succeeding James H. Ellis, Ellis, Holyoke & Co., Lincoln; Newton P. Frye, Central Republic Co.; Carl McGlone, Carl McGlone & Co., Inc., and G. William Raffensperger, Raffensperger, Hughes & Co., Inc.

Lawrence, Murray Formed

The Lawrence & Murray Co., Inc. has been formed with offices at 50 Broad Street, New York City, to engage in a securities business.

"They're saying, 'The Nehi Line is the most complete line in the industry.'"

NEHI CORPORATION
COLUMBUS, GEORGIA

Continued from page 42

J. LUTHER CLEVELAND

Chairman of the Board, Guaranty Trust Co. of New York

For the first time since 1948-49, an old year has ended and a new one begun with most branches of business tending toward lower levels of operation. The question in all minds at the moment is how far the decline will go. Majority opinion seems to hold that no severe or prolonged recession is likely.

J. Luther Cleveland

The elements of strength in the situation are impressive. Construction, always a key factor in the outlook, has held up well, with no present indication of a decline. Business investment in new plant and equipment in 1954 will be only moderately below the high 1953 total, if present reported plans are carried out. There will apparently be no sharp decline in governmental buying, and any decrease that occurs will be accompanied by tax relief, which means more disposable income in private hands.

Inventory positions in some lines are probably top-heavy, but the overall inventory picture does not seem to be seriously out of line with sales volumes. Current reports suggest that the situation has already begun to correct itself. If, as many analysts apparently believe, this is merely an "inventory recession," it is difficult to see why any serious trouble should be encountered.

Perhaps the most unpredictable factor in the outlook is consumer behavior. This is largely a psychological question and is always difficult to gauge. So far, consumer buying has been well maintained, although it no longer shows the strong tendency to expand that it did in the early post-Korean period. The growth of installment credit has been an important sustaining factor in consumer demand, and this has recently shown signs of tapering off. Still another cause of uncertainty is the recent apparent upturn in the tendency of consumers to save.

To a reasonable view, there should be nothing surprising or alarming in the idea of a readjustment after 12 years of boom conditions. Readjustments are normal and necessary. The chief ground for concern lies not in the readjustment itself but in the possibility that it may not be permitted to proceed in a normal manner. Many rigidities have been built into the economy in the last two decades. Recently there has been a healthy movment toward free markets, but this is far from complete. Unless these rigidities have the effect of making the readjustment more severe and prolonged than it needs to be, business seems warranted in viewing the future with confidence.

L. L. COLBERT

President, Chrysler Corporation

American motorists—by demanding more performance, convenience and comfort in their cars than ever before—made 1953 the biggest year in the htistory of the automobile industry in terms of the dollar value of vehicles produced and sold. The proportion of cars sold with such features as power steering, automatic transmissions, power brakes, and air conditioning reached a new high; and the demand for deluxe models was markedly greater than in previous years.

L. L. Colbert

The wholesale value of new cars, trucks and buses produced and sold in 1953 is estimated at $11,440,000,000—exceeding by more than $1¼ billion the industry's previous high, for the year 1950. In terms of the number of vehicles produced and sold in the United States, the industry estimates output for 1953 at 6,165,000 passenger cars, and 1,205,000 trucks and buses. The grand total of 7,370,000 vehicles is the second largest output on record.

There is every reason to believe that people will continue to buy new and used cars and trucks in large volume in the year ahead. On the basis of the facts as we know them today, it appears that the industry will produce and sell five million or more passenger cars and about a million trucks and buses in 1954. However, the public may buy a considerably larger number of cars and trucks.

The national economy continues to be very prosperous, personal income is close to record levels, and people have more money in the bank than ever before. And there are many other facts that show the potential size of the automobile market:

(1) About 12 million cars on the road today were built before World War II. Old cars are being scrapped in ever-increasing numbers. Three out of every four new cars sold at retail today replace cars that are scrapped.

(2) According to the latest census, 37 out of every 100 of the nation's farms do not have passenger cars. And 66 out of every 100 farms have no trucks.

(3) Of every 100 families that own cars, 89 have only one car. And 17 million American families have no car at all.

(4) Market surveys have shown time after time that most people who buy new cars tend to replace them every three or four years, on the average. In 1950 and 1951 over 11 million people bought new cars—and in 1954 a big percentage of these 11 million people should be in the market for new cars.

In the past year automobile production moved into balance with demand, bringing back to the automobile business competition such as it has not seen since 1941. In the year ahead the people of the United States will profit from continued competition for automotive sales. They will be given a greater choice of automotive products than has ever been enjoyed by the motoring public.

We in Chrysler Corporation have presented to the public our 1954 automobiles and trucks, which incorporate a number of outstanding advances. One of the most important new developments is the fully automatic PowerFlite transmission. In addition, we have made full-time power steering available on all Chrysler Corporation cars. We have improved suspension systems, strengthened frames, and increased the horsepower in our V-8 engines.

Hand in hand with these mechanical and engineering improvements have come new styling and color treatments. These cars offer a choice of 58 body colors and 86 two-tone combinations—the greatest range of colors ever made available in production cars.

Major steps to expand, improve and strengthen our facilities include the recently completed Indianapolis plant for production of PowerFlite transmissions; a new body-building operation at our San Leandro, California, plant, the first automobile body facility on the West Coast; and the agreement for purchase by Chrysler Corporation of the principal plants and equipment of the Briggs Manufacturing Company, heretofore supplier of bodies for Plymouth automobiles.

These current moves by Chrysler Corporation are further evidence of our optimism regarding both the immediate and long-range future of the automobile business.

C. C. COLBERT

President, Nehi Corporation

The soft drink industry is rapidly regaining its status as one of the fastest growing and, per dollar of investment, most profitable of industries. Except for some of the years during the period of wartime restrictions on production, the per capita consumption of soft drinks has increased with great rapidity during the past two decades. I look forward to a continuance of that progress throughout 1954.

C. C. Colbert

In my opinion, the industry's failure to readily adjust itself to an adequate relationship between higher costs and selling prices did somewhat retard our industry's steady increase in profits. However, the industry has succeeded in adjusting itself to increased costs by effecting reasonable increase in prices—throughout many sections of the country. Further adjustments, where none have been effected, will most likely be made.

1954 will be important with respect to certain new phases of the soft drink industry, such as the marketing of drinks in cans and the production of dietary beverages. It is too early to predict whether either or both of these ventures will become a general or successful part of the industry business. The principal members of the industry are studying the possibilities of each.

Increased advertising—expanded promotions—added service facilities of every kind—better readjustment to current cost and price circumstances—all together bid well to make 1954 the banner year for the industry.

JOHN S. COLEMAN

President, Birmingham Trust National Bank, Burmingham, Ala.

Bank deposits and volume of items handled were at a new high on the year end. Retail stores report that sales for the year were at approximately the same high level as the preceding year.

Cotton production in Alabama for 1953 was about 970,000 bales, a very slight increase from the year before. The State Farm Extension Bureau states that the cotton acreage in Alabama has dropped an average of 100,000 acres annually for the past 23 years due primarily to the trend toward greater livestock production, limited labor on farms and acreage controls. Further expansion of livestock and poultry production is recommended.

John S. Coleman

The steel industry in the district had another record year. Production by the U. S. Steel Corporation increased to approximately four million tons here as compared to six and one-half million tons at Gary which is this company's largest producer. It is expected that the demand for steel will continue good during 1954.

Electrical power and natural gas facilities continued to expand rapidly. Many of the smaller cities and towns have entered into undertakings for new pipe lines which will greatly increase the use of natural gas in homes as well as in industry.

Both the Birmingham Civic Symphony and the Birmingham Museum of Art have attained favorable national recognition and appear to be on sound financial bases. The latter recently was the recipient of a fine group of paintings from the S. H. Kress collection.

The Medical Center and the Medical School of the University of Alabama are continuing to expand. The School, because of the quality of its instruction, ranks very high. The Southern Research Institute received last year from the Sloan-Kettering Foundation a generous grant for the erection of a building devoted to cancer research. This addition to the Institute will be completed and placed into operation this year.

Birmingham and Alabama continue to grow economically and in cultural development and they face the future with faith and confidence.

JOHN L. COLLYER

President, The B. F. Goodrich Co.

Production and sales of rubber products during 1954 may approach a level nearly as high as 1953, one of the best years in the history of the rubber manufacturing industry. The nation's 1954 total consumption of new rubber is expected to be about 3% below 1953's record of approximately 1,340,000 long tons. The United States will use about 1,300,000 long tons of new crude and man-made rubber in 1954, with probably more than half of this coming from America's own man-made rubber facilities.

John L. Collyer

The rubber industry's outlook appears to be slightly better than current forecasts of the nation's over-all 1954 economy. An important factor is the past three years' high production of automobiles, many of which will need replacement tires in 1954.

Over-all industry tire sales in 1954 are expected to approach 100 million for the second consecutive year. This compares with the record 106 million in 1950 and an estimated 100 million in 1953. Sales of replacement passenger car tires may be about 2 million more than the 47 million sold during 1953, and total passenger car tire sales—replacement plus original equipment—may decline to 77 million, from 1953's sales of about 80 million.

Further growth in 1954 in motorists' use of tubeless tires is anticipated. B. F. Goodrich, which introduced the tubeless tire in 1947 and which has basic patents on the tire, is negotiating with a number of other companies to license the manufacture of additional brands of tubeless tires.

Substantial capital investments were made by B. F. Goodrich in 1953 to enlarge facilities for the manufacture of tubeless tires. The company in 1953 established a new high in tubeless tire production and sales, and introduced for sale a new lower-priced tubeless tire for passenger cars. The company in 1953 announced the manufacture of tubeless tires for aircraft and introduced two new premium tubeless tires for distribution by its associated tire lines.

Further acceptance and installation of moving rubber belt sidewalks is in the offing. B. F. Goodrich's installation of the world's first moving rubber sidewalk in its "Story of Rubber" exhibit at the Chicago Museum of Science and Industry last February has been followed by suggestions to use this new form of transportation for airline, bus and railway terminals, super markets, baseball parks, busy street intersections and industrial buildings.

Congressional and Presidential action in 1953 directed toward the sale of the government-owned synthetic rubber plants was among the most significant events in the postwar history of the rubber industry. The ends of National Security will be best served when this important part of the total industry is finally restored to private enterprise. This is particularly true, in the light of the apparent need for the expansion of man-made capacities before 1960 to meet constantly increasing world demands for rubber.

The B. F. Goodrich Chemical Company last year began operation of a new $6 million plant for the production of chemical raw materials at Calvert City, Ky., and started construction of an $8.5 million acrylonitrile plant there. The company also opened regional distribution centers at Seattle and Los Angeles and began construction of distribution centers at Columbus, Ohio, Indianapolis, Ind., and Springfield, Mass.

One of the most important improved products introduced by the company in 1953 was an all-nylon cord truck tire which has given truckers more than 100,000 miles of actual road service before recapping.

During 1953 the company formed two additional integrated divisions—its Tire and Equipment and its Industrial Rubber Products Division—with sales and manufacturing combined under a President and appropriate officers in each division. All manufacturing and sales activities of the company are now conducted in a total of six integrated divisions. This has been done to gain advantages of decentralized operations and to permit the training and development of management personnel needed to carry out further expansion of the company.

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Broaden Coverage And Increase Social Security Benefits

recommendations to further these purposes.

(2) **The Present "Retirement Test" Should Be Liberalized and Its Discrimination Against the Wage Earner Should Be Removed:** By depriving an OASI beneficiary of his benefit payment for any month in which he earns wages of more than $75, present law imposes an undue restraint on enterprise and initiative. **Retired persons should be encouraged to continue their contributions to the productive needs of the nation.** I am convinced that the great majority of our able-bodied older citizens are happier and better off when they continue in some productive work after reaching retirement age. Moreover, the nation's economy will derive large benefits from the wisdom and experience of older citizens who remain employed in jobs commensurate with their strength.

I recommend, therefore, that the first $1,000 of a beneficiary's annual earnings be exempted under the retirement test, and that for amounts earned above $1,000 only one month's benefit be deducted for each additional $80 earned.

To illustrate the effect of these changes: a beneficiary could take a $200 a month job for five months without losing any benefits, whereas under present law he would lose five months' benefits. He could work throughout the year at $90 a month and lose only one months' benefit, whereas under present law he would lose all 12.

Approval of this recommendation will also remove the discriminatory treatment of wage earners under the retirement test. Self-employed persons already have the advantage of an exemption on an annual basis, with the right to average their earnings over the full year. The amendment I have proposed would afford this advantage, without discrimination, to all beneficiaries.

(3) **OASI Benefits Should Be Increased:** Today thousands of OASI beneficiaries receive the minimum benefits of $25 a month. The average individual benefit for retired workers approximates $50 a month. The maximum benefit for an individual is $85 a month. For OASI to fulfill its purpose of helping to combat destitution, these benefits are too low.

I recommend, therefore, that benefits now being received by retired workers be increased on the basis of a new formula to be submitted to the appropriate Committees by the Secretary of Health, Education, and Welfare. This formula should also provide increases for workers retiring in the future, raising both the minimum and the maximum benefits. These increases will further the objectives of the program and will strengthen the foundation on which its participants may build their own security.

(4) **Additional Benefit Credits Should Be Provided:** The maintenance of a relationship between the individual's earnings and the benefits he receives is a cornerstone of the OASI system. However, only a part of many workers' annual earnings are taken into account for contribution and benefit purposes. Although in 1938 only the first $3,000 of a worker's annual earnings were considered for contribution and benefit purposes, statistical studies reveal that in that year 94% of full-time male workers protected by OASI had all of their earnings covered by the program. By 1950 less than half of such workers—44%—had their full earnings covered by the program, so the Congress increased the earnings base to $3,600.

Today, the earnings base of $3,600 covers the full earnings of only 40% of our regular male workers. It is clear, therefore, that another revision of this base is needed to maintain a reasonable relationship between a worker's benefits and his earnings.

I recommend, therefore, that the earnings base for the calculation of OASI benefits and payroll taxes be raised to $4,200, thus enabling 15,000,000 people to have more of their earnings taken into account by the program.

(5) **Benefits Should Be Computed on a Fairer Basis:** The level of OASI benefits is related to the average of a worker's past earnings. Under present law periods of abnormally low earnings, or no earnings at all, are averaged in with periods of normal earnnigs, thereby reducing the benefits received by the retired worker. In many instances, a worker may earn little or nothing for several months or several years because of illness or other personal adversity beyond his power of prevention or remedy. Thus the level of benefits is reduced below its true relation to the earning capabilities of the employee. Moreover, if the additional millions of persons recommended for inclusion under OASI are brought into the program in 1955 without modification of present law, their average earnings will be sharply lowered by including as a period of no earnings the period from 1951 to 1955 when they were not in the program. I recommend, therefore, that in the computation of a worker's average monthly wage, the four lowest years of earnings be eliminated.

(6) **The Benefit Rights of the Disabled Should Be Protected:** One of the injustices in the present law is its failure to make secure the benefit rights of the worker who has a substantial work record in covered employment and who becomes totally disabled. If his disability lasts four years or less, my preceding recommendation will alleviate this hardship. But if a worker's earnings and contributions cease for a longer period, his retirement rights, and the survivor rights of his widow and children, may be reduced or eevn lost altogether. Equity dictates that this defect be remedied. I recommend, therefore, that the benefits of a worker who has a substantial work record in covered employment and who becomes totally disabled for an extended period be maintained at the amount he would have received had he become 65 and retired on the date his disability began.

The injustice to the disabled should be corrected not simply by preserving these benefit rights but also by helping them to return to employment wherever possible. Many of them can be restored to lives of usefulness, independence and self-respect if, when they apply for the preservation of their benefit rights, they

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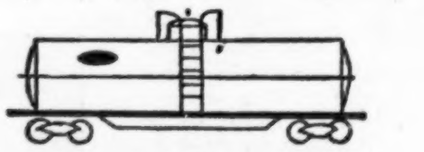
PETROCHEMICALS

From CSC Petrochemistry—from the raw materials of natural gas and petroleum products, from the air around us—come ammonia, methanol, formaldehyde, the nitroparaffins and their many versatile derivatives.

BIOCHEMICALS

From CSC Biochemistry—from the cultures of bacteria, yeasts and molds—come the conversions of grains, molasses, and other farm products into antibiotics, vitamins, alcohols, and dextran.

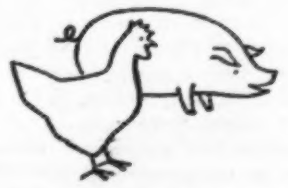
TOGETHER, THESE PROCESSES yield over 200 CSC products for home and hospital, farm and factory. Six CSC Product Divisions handle this diversified output. They form the broad foundation for CSC's continuing sound growth in 1954 and for the future.



INDUSTRIAL CHEMICALS — Methanol, Ammonia, Nitroparaffins, Butanol, Ethyl Alcohol and Derivatives. Riboflavin, U.S.P.

PHARMACEUTICALS — Antibiotics — Penicillin & Bacitracin, Veterinary Products, Hypotensive Products, Lipotropic Agents, & Blood Volume Expander—Expandex®.

AGRICULTURAL CHEMICALS — Nitrogen Products — Anhydrous Ammonia, Nitrogen Solutions, and CSC Ammonium Nitrate Fertilizer. Pesticides — Benzene Hexachloride & Dilan®.



ANIMAL NUTRITION PRODUCTS — Antibiotic Feed Supplements—Baciferm®, Duoferm® & Penbac®, Vitamin Feed Supplements—Riboflavin & Choline.

AUTOMOTIVE SPECIALTIES — Peak® & Nor'way® Anti-Freeze, Radiator Chemicals & Other Automotive Products.

POTABLE SPIRITS — Neutral Spirits & Whiskies; Rackhouse Barrel Storage.

CSC

COMMERCIAL SOLVENTS CORPORATION

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S. SLOAN COLT

President, Bankers Trust Co., New York City

The widespread optimism of a year ago regarding the business outlook has been replaced by a more cautious appraisal of the future. Businessmen are confident that 1954 will be another good year, but the realization is growing that many of the forces that pushed economic activity to a new all-time peak in 1953 appear to be tapering off. Prospects are for some, but not large, reductions in home building, in Government spending, and in consumer purchases of durable goods. Business spending on plant and equipment appears to be on a plateau and may show a small decline this year. Business may also decide to reduce its inventories, especially if some easing in sales should become evident. On the other hand, spending on public improvements and commercial building is displaying continuing strength.

S. Sloan Colt

Thus, on balance, the prevailing view is that business activity will average somewhat below 1953 but that 1954 will still be a good business year. The attitude of caution that has characterized the thinking of most businessmen in the postwar years seems to have prevented the development of excesses that might lead to a sharp collapse in economic activity. The elements of dynamic growth are still present in the economy. Competition is likely to become more intense and this will pose some problems. However, American business management is aggressively striving to reduce costs and to improve efficiency: it is modernizing plants, is spending huge sums on research and development, and has many new products on the way that will bring consumers into the market and may help to cushion a business downturn.

If this appraisal of the economic outlook proves accurate, it probably portends a modest decline in bank loans in 1954. The increase in loans in 1953 was of small proportions; a tapering off in business spending on plant and equipment and some liquidation of business inventories in the year ahead would probably enable business corporations in the aggregate to reduce their borrowings. Also, consumers have slackened the pace of their borrowings in recent months. However, a spiral of credit contraction which contributed to most major business downturns in the past is not in prospect.

Bond yields and short-term money rates have already receded significantly from the highs established in the first half of 1953. In fact, some important interest rates were lower at the beginning of 1954 than they were a year ago. Notwithstanding the recent declines in interest rates, an easing of the general level of economic activity in 1954 would probably produce pressures in the direction of some further decrease in bond yields. However, a return to conditions of extremely low interest rates does not appear likely.

Long-term borrowing requirements are likely to be slightly lower than in 1953. Borrowing by state and local governments is expected to be as large this year as it was last year and new money borrowings by the Treasury is likely to be about as large as it was in 1953. Long-term financing by corporations, however, is expected to drop fairly sharply. Reflecting growing amortization payments, real estate mortgage debt also is not likely to increase as much in 1954 as it did last year, even should the level of building activity be relatively well maintained. The Treasury, in this environment, may be able to make some further progress in funding its debt without tightening credit or unsettling the investment market.

HARRY D. COMER

Partner, Paine, Webber, Jackson & Curtis

In 1954, *the broad trend of the stock market will probably be upward,* with the year's best levels seen in the fall or later.

Reduced to the simplest possible terms, stock prices are determined by just two factors—*dividends*, and the *rate* at which investors are willing to *capitalize* those dividends. (All other factors can be said to operate through or to influence these two.)

Harry D. Comer

Consider a stock paying say $6 annually in dividends, with a reasonable likelihood of continuing the $6 rate. In a market where investors demand a 6% return, that stock, naturally, would be priced at $100 per share. At present, the typical industrial stock does yield just about 6%. That fact reflects a relatively low degree of confidence on the part of investors. As recently as 1946, average yield was barely more than half the current rate.

It seems rather clear that 1954 will witness a continuation of high cash dividend payments, probably duplicating or exceeding last year's favorable experience. Total payments in 1953 established a new all-time high record. Yet, in relation to earnings, the pay-out was conservative, at only about 55% of available profits in the case of leading industrial common stocks. That niggard proportion contrasts severely with the average yearly payout of 70% in the eight years before 1946.

Looking ahead, earnings could fall as much as 20% from last year's level, and yet cash dividends on industrials could be kept unchanged merely by lifting the pay-out ratio to 70%. These figures serve to emphasize the high margin of safety for current dividend rates.

After taxes, earnings available for dividends in 1953 were the second best on record, having been exceeded only in the year 1950, when taxes were lower. My guess now is that any drop in earnings this year will not exceed 10% from last year's rate. That guess gives due consideration to the prospective volume of business, the general price level, and to the impact of foreseeable lower taxes and higher labor costs. Incidentally, a drop of 10% in earnings of industrials would still make 1954 better than any year before 1950.

As a group, industrial stocks (Standard & Poor's) finished the year 1953 at the highest year-end level on record, excepting only 1952. The net decline for the year was about 7½%.

Although high historically (in dollars) industrial stocks are still priced low in relation to other forms of property and in ratio to earnings. They are now only about nine times latest annual earnings, on average. At important bull market tops that ratio has been 17 or more.

A really dynamic upswing in the stock market will require the development of new confidence on the part of investors—that is, a willingness to capitalize earnings and dividends at a higher rate.

I believe that confidence will grow as 1954 unfolds itself and investors see that the Administration policies are working out in the direction of preventing cumulative deflation and are pointing toward the maintenance of prosperity and growth of private enterprise.

Two specific illustrations will serve to show how important the confidence factor is and how much it can improve. In the forthcoming tax revision by Congress, one reasonably certain item is some relief from "double taxation" of dividends. If enacted, such relief would undoubtedly find reflection in higher stock prices.

Even more important, though not yet certain of enactment, is the possibility of relief from the inequitable penalties of the capital gains tax. Should Congress see fit to cut this tax about in half and to shorten the holding period to about three months, we would have a much better stock market, a more active market, and higher prices; also, the Government would collect more taxes from capital gains. So long as investment decisions are influenced by efforts to circumvent tax payments, instead of being determined by sound judgment, the whole country will suffer.

In 1954 we shall have a new demonstration of the effectiveness of cooperation among industry, labor and Government in promoting the general welfare. The Government is determined to do all in its power to mitigate the influence of the deflationary phase of the business cycle. Success in that area is essential, not only for the good of the country, but for the future of the political party in power.

In conclusion, it should be noted that in aiming at full employment at all costs, "permanent prosperity," or call-it-what-you-will, the Government will be using inflationary devices. Nobody knows what the ultimate outcome will be. But if our economic managers can keep the inflation within modest bounds, it may well be that the public will be getting a bargain. The net benefits and gains through steady jobs, expanding production, the use of new technologies, and a rising standard of living may far outweigh the accompanying losses suffered by all of our citizens through the erosion of the value of money and of all the standard forms of savings.

Perhaps 1954 will see a revival of inflation-hedging by buying common stocks, thus enhancing the upswing in stock prices.

Anyhow, *with dividends holding up, and confidence gradually improving, a higher stock market seems in store for '54.*

SIDNEY B. CONGDON

President, The National City Bank of Cleveland, O.

There were interesting and controversial developments in the money market during 1953. Interest rates rose during the first half of the year, but declined in the second half. These diverse trends in rates in part reflected the policies of the Federal Reserve Board and the Treasury. Hindsight now shows that those policies were correct in direction and timing.

Sidney B. Congdon

During the first six months of 1953, industry operated at virtual capacity and the price level was stable. In that period the monetary authorities leaned in the direction of higher interest rates. Contrary to opinion expressed in some quarters, the policies of the monetary authorities did not create a shortage of loanable funds. In fact, more money was loaned on mortgages and by way of consumer credit in the first half of 1953 than in any other first half year in our history, business loans for proper purposes were readily available and the volume of new security issues set a record. If money had been any "easier," thus encouraging even more borrowing than there was, the increased demand for goods would have resulted in higher prices rather than more production. The higher rates also combated inflation by encouraging a record volume of savings, thus creating a supply of funds for investment without resort to credit expansion in the banking system.

The monetary authorities began to lean in the direction of lower interest rates and easier money in July. Statistics now available show that this represented perfect timing because that marked the beginning of a gradual decline in business activity. The easier money conditions which have characterized the second half of the year have been a factor in the leveling off of the decline in new housing starts. They also have contributed to the maintenance at a high level of business outlays for new plant and equipment, state and municipal public works and commercial construction. The easing of money has been of help in holding the business decline within moderate limits.

The moves made by the Federal Reserve Board and the Treasury in 1953 showed a keen sensitivity to business trends, and evidenced the courage to take those steps which contribute to the maintenance of a sound economy despite rather widespread public criticism. Able and courageous leadership in financial matters most certainly will be needed in 1954, with difficult problems ahead in taxation, in lengthening out the Federal debt, and in general credit policy. The performance of the monetary authorities in the year just ended gives strong assurance of wise and able financial leadership in the year ahead.

G. H. CONNERS

President, National Biscuit Company

The Biscuit and Cracker segment of the Baking Industry should enjoy a high level of sales volume in the year 1954, possibly exceeding that of 1953.

The continuing increase in population in our country and the high level of disposable income which we feel will be generally maintained throughout the year are favorable factors for our industry.

G. H. Conners

The Biscuit and Cracker Industry has been aggressive in developing new products and improving its processes and the packing of its older well-known brands.

Substantial capital expenditures have been made over the last eight years for new equipment and for new plants or the modernization of established plants and, while the plant of the industry as a whole has been fairly well modernized, further substantial expenditures will continue to be made in 1954 for capital improvements.

Aggressive competition will continue to prevail in our industry, as it has since the end of World War II. We believe this is a healthy condition which will cause each company within the industry to be aggressive and resourceful in finding ways to profitably tap a vast market for its products which is now present in the country.

Business as a whole should be very satisfactory in 1954. Certainly the economic system in our country is sound and we would be short-sighted if we were not optimistic about the future. Any recession or readjustment should be short-lived. I feel that once such readjustments have been made our country will be in a position to enjoy a long period of healthy and sound prosperity. The great technological advances now evident cannot be retarded or stopped.

National Biscuit Company, through organizational training and development, research and modernization, is prepared to compete in the buyers' markets of the future. I look for our company to enjoy good sales and profits in the year 1954.

STUART COOPER

President, Delaware Power & Light Co.

The officers of the Delaware Power & Light Co. are approaching the problems of the year ahead with a feeling of optimism not far different from that which prevailed last year. We fully realize that the fantastic upward trends of output and sales which have been enjoyed by the utility business since 1945 are going to be replaced by trends more nearly representative of the growth of the country's population and of the related expansion of the country's business.

Stuart Cooper

Superimposed upon that steady growth, the utility business (and especially the electric utility business) will enjoy a broad market for new types of appliances and equipment becoming available to make life in the home easier and pleasanter, and work in the factory and on the farm less burdensome. For instance, the use of the combined heat pump and air conditioning unit suggests domestic and other market possibilities far greater than anything yet developed. In respect to air conditioning, at least, the increasing prosperity of the American wage earner will permit its use by a broad segment of the population not heretofore in the market for such devices.

In latitudes which justify it, as in the area served by Delaware Power & Light Co., the use of air conditioning in the home and in business will become almost universal within a few years and the loads developed by such business may easily result in summertime system peaks suggesting the later possibility of some off-peak heating during the winter. Delaware Power & Light Co. has a

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Broaden Coverage And Increase Social Security Benefits

are promptly referred to the Vocational Rehabilitation agencies of the States. In the interest of these disabled persons, a close liaison between the OASI system and these agencies will be promptly established upon approval of these recommendations by the Congress. Moreover, in my message of Jan. 18 to the Congress, I shall propose an expanded and improved program of Vocational Rehabilitation.

Costs: I am informed by the the Secretary of Health, Education and Welfare that the net additional cost of the recommendations herein presented would be, on a long-term basis, about one-half of one percent of the annual payrolls subject to OASI taxes. The benefit costs will be met for at least the next 15 to 25 years under the step-rate increases in OASI taxes already provided in the law.

Public Assistance: An important by-product of the extension of the protection of the OASI system and the increase in its benefit scale is the impact on public assistance programs. Under these programs States and localities provide assistance to the needy aged, dependent children, blind persons and the permanently and totally disabled, with the Federal Government sharing in the cost.

As broadened OASI coverage goes into effect, the proportion of our aged population eligible for benefits will increase from 45% to 75% in the next five or six years. Although the need for some measure of public assistance will continue, the OASI program will progressively reduce, year by year, the extent of the need for public assistance payments by the substitution of OASI benefits. I recommend that the formula for Federal sharing in the public assistance programs for these purposes reflect this changing relationship without prejudicing in any manner the receipt of public assistance payments by those whose need for these payments will continue.

Under the present public assistance formula some States receive a higher percentage share of Federal funds than others. In the program of old-age assistance, for example, States making low assistance payments receive up to 80% Federal funds in defraying the costs of their programs. States making high assistance payments receive about 65% of Federal funds in that portion of the old-age assistance payments which is within the $55 maximum for Federal participation.

This variation in Federal participation is the result of a Congressional determination that the Federal sharing should be higher for States which, because of low resources, generally make low assistance payments. In order better to achieve this purpose, I recommend that a new formula be enacted. It should take into account the financial capacity of the several States to support their public assistance programs by adopting, as a measure of that capacity, their per capita income. Such a new formula will also facilitate the inclusion, in the old-age assistance program, of a factor reflecting the expansion of OASI.

The present formula for Federal sharing in public assistance programs requires adjustment from another standpoint. Under present law, the Federal Government does not share in any part of a monthly old-age assistance payment exceeding $55. Yet many of these payments must exceed this amount in order to meet the needs of the individual recipient, particularly where the individual requires medical care. I consider it altogether appropriate for the Federal Government to share in such payments and recommend, therefore, that the present $55 maximum be placed on an average rather than on an individual basis. Corresponding changes in the other public assistance programs would be made. This change in the formula would enable States to balance high payments in cases of acute need against low payments where the need is relatively minor. In addition, great administrative simplification would be achieved.

A new public assistance formula should not become effective until the States have had an opportunity to plan for it. Until such time, the 1952 public assistance amendments should be extended.

* * *

The recommendations I have here submitted constitute a coordinated approach to several major aspects of the broad problem of achieving economic security for Americans. Many other phases of this national problem exist and will be reflected in legislative proposals from time to time to the Congress. The effort to prevent destitution among our people preserves a greater measure of their freedom and strengthens their initiative. These proposals are constructive and positive steps in that direction, and I urge their early and favorable consideration by the Congress.

DWIGHT D. EISENHOWER

The White House,
Jan. 14, 1954.

E. Philip Reid With Waddell & Reed, Inc.

CHICAGO, Ill.—E. Philip Reid has been appointed a Regional Manager for Waddell & Reed, Inc. He will make his headquarters in Chicago at 209 S. La Salle St. Waddell & Reed, Inc. is the principal underwriter of United Funds, Inc., with home offices in Kansas City, Missouri.

Mr. Reid has been associated with Harris Hall and Co. for the past seven years. He will replace Dominic C. Cronin who passed away Dec. 21, 1953.

Louis B. Tim

Louis B. Tim, partner in Salomon Bros. & Hutzler, passed away Jan. 10.

With French & Crawford

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga. — Charles W. Haines has become affiliated with French & Crawford, Inc., 68 Spring Street, N. W. He was previously with Pruett & Co.

T. W. Martin Co. Formed

Theophilus W. Martin is engaging in a securities business from offices at 150 Broadway, New York City, under the firm name of Theophilus W. Martin Company.

T. E. Hambleton Opens

T. Edward Hambleton is engaging in a securities business from offices at 181 Second Avenue, New York City.

A 7-Ton Bite into the Nation's NEWEST COPPER MINE

Anaconda's new open pit copper mine at Weed Heights, near Yerington, Nevada, is the first new copper mine to be put into operation in this country since World War II. Before ore could be economically mined, millions of tons of waste material—what miners call "over-burden"—had to be removed. It was officially opened on November 10, 1953, when the huge jaws of the electric power shovels began taking 7-ton bites.

Each month the new Yerington mine and beneficiation plant will be shipping about 5,000,000 pounds of copper, in the form of precipitates, to Anaconda's plants in Montana for smelting and refining.

The nation's newest copper mine is typical of Anaconda's constant efforts to develop mining resources, advanced metallurgical processes and new and better metal products at its manufacturing subsidiaries.

53278B

ANACONDA
COPPER MINING COMPANY

The American Brass Company
Anaconda Wire & Cable Company
Andes Copper Mining Company
Chile Copper Company
Greene Cananea Copper Company
Anaconda Aluminum Company
Anaconda Sales Company
International Smelting and Refining Company

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wide-flung area having a climate which should be conducive to the development of such business.

With the increase in leisure time available to all workers, the development of waterfront properties, both on the seashore and on the bays which almost completely surround Delaware Power & Light Co.'s operating area, has grown by leaps and bounds and is expected to increase even further as a result of the completion of bridges and highways which bring such areas within easy reach of the big cities on the eastern seaboard.

Industrially, Delaware is favorably situated in the Delaware River Valley presently enjoying an unusual development. The construction and operation by the government of several large airports on the Delmarva Peninsula is not only bringing new population but is directing new attention to the resources and advantages of that area where people work, literally with recreation at their elbows.

The budgets of Delaware Power & Light Co. for 1954 predict a continued expansion of the company's business but at a rate somewhat lower than the exceptional rate enjoyed during the last several years. Our confidence in this growth is reflected in the company's capital budget which provides for some $15,000,000 of construction projects for 1954 and approximately $40,000,000 for the five years 1954-58, inclusive. The company is already considering preliminary plans for the construction of a third generating station to meet the growing requirements of its service area.

Arrangements have been completed to substitute natural gas for manufactured gas presently being distributed in the company's gas service area in and around Wilmington. This project should be completed by June 1, 1954. With an adequate supply of natural gas in sight, the ability to supply commercial and industrial customers with such gas will broaden the company's markets and increase the attractiveness of the area to the users of such fuel.

The officers of Delaware Power & Light Co. believe the long sellers' market is about at an end and they are fully aware of the need for increasing sales promotion activities as we enter a more competitive period. However, we think the changes under way are good and will, in the long run, be beneficial to everybody.

With this in mind and with a more favorable attitude by government toward the utility and other businesses, we are going forward without fear but in the belief that we are returning to a good, sound, competitive business situation from which this country draws and has always drawn its great prosperity and strength.

R. J. CORDINER

President, General Electric Co.

Despite an anticipated cutback in defense production during 1954, the General Electric Company is looking forward to a very good year. We expect our total sales volume during the coming year to compare favorably with last year's record sales of more than three billion dollars. But to do this, it will take some real selling.

Ralph J. Cordiner

We believe 1954 will be one of the first years out of the last 15 in which some of our product lines will have to be subjected to hard selling methods. As part of a program of more aggressive selling, merchandising and distribution, General Electric will increase advertising and promotional appropriations in consumer goods during 1954 about 15 to 20%, an increase of about $10 million, to a total of about $45 to $50 million.

We do not anticipate any noticeable price increase for our products in 1954. In the capital goods market, General Electric is practically sold out until 1955. As of Nov. 1, 1953, our backlog of orders in non-defense items was up 8% over Jan. 1 of this year. And we expect this picture to continue during 1954, with a total production of non-defense items to be 5% better in volume than this year.

In the face of an ever-increasing use of electricity, we do not feel that General Electric's capacity is overbuilt. The electrical industry is growing twice as fast as the rest of the national economy, and we are on the upsurge as a company.

Because we are part of the electrical industry, General Electric must be prepared to meet its obligations to the public's demand for more electrical equipment. We are entering the final two years of our postwar billion-dollar expansion program. At the end of 1953, we will have spent $796,000,000 on our expansion of plant and facilities since the end of World War II and we expect to continue this expansion at the rate of $150,000,000 during 1954 and 1955, which is approximately the going rate for 1953. And, I might add, in the opinion of General Electric, our expansion or growth will not have been entirely concluded at that time, because in the next 10 years alone, we see the doubling in size of the electrical industry.

J. RUSSEL COULTER

President, Toledo, Peoria & Western Railroad Co.

The railroad industry is entering a new pioneer era. The first pioneer era, of course, was the one of extension of railroads all over the country from the biggest cities to the tiniest hamlets. The next era might be classified as the era of "non-competitive stability." The following, one of "righteous indignation" as competitive competition, often considered over-subsidized, entered the picture. The railroad industry found itself in the same inimical position as will the electric public utilities if atomic power comes into broad scale use.

J. Russel Coulter

1954 will see vast dynamic regeneration during the new pioneer period for the railroads. The many magazine and newspaper articles being written and photographs being published prove that railroading, far from being a dying industry, is just beginning to feel life coming into its veins like a shot of adrenalin.

The railroad presidents I come in contact with today carry no bleeding hearts but are mentally, emotionally and physically rolling up their sleeves and buckling down to providing a quality of service that has never even been dreamed of before in our industry. Employee and other elements of public relations, which compared to other industries have lagged behind, are receiving an attention today which more and more will show the railroads becoming leaders rather than reluctant followers.

The Toledo, Peoria & Western Railroad Company is learning how to compete with other forms of transportation and the T. P. & W. is not alone by a very long way. Our advertising, our services, and our very attitudes have changed—for the better.

The railroad industry, by its very nature, is dependent to a great extent upon general business conditions. But in 1954 it is my considered opinion that the share of freight and passenger transportation sold and served by the railroad industry will be a bigger percentage of the sum total available than in 1953.

CLEO F. CRAIG

President, American Telephone & Telegraph Co.

We have had a busy year and expect another in 1954. The gain in telephones for the Bell System in 1953 was close to two million. In the last few months long distance calling has fallen off from its usual rate of increase, with the result that long distance volume today is about the same as a year ago. This probably reflects in some degree the current situation in general business. The Bell Companies are moving into vigorous promotion of long distance services, and with new and improved facilities now available, which enable us to provide better service, we look forward to further increases in usage.

Cleo F. Craig

The telephone construction program in 1954 will continue to be heavy. Last year we made substantial progress toward giving all our customers the kind of service they want, when and as they want it, but there is still much more to be done. More than 430,000 people are waiting for telephones, and more than a million party line customers want individual lines, or lines that they would share with fewer other people. On top of this is the continuing new demand for service.

In 1953 the telephone industry celebrated installation of the 50-millionth telephone in this country. I think the progress of the industry and of the nation, which produced this result, is going to produce even more in the future. We may experience a lag now and then, and we may not move at quite the same rate in 1954 as in these last several years, which, after all, have been extraordinary. But I am confident that for the long run people are going to want more and more telephone service.

JOHN W. CRAIG

President, Aluminum Industries, Inc.

I believe that 1954 will be a good year for American business generally. I confidently expect it to be one of the better years in the history of our company.

Like most manufacturers, our future is dependent on (a) our ability to get raw materials, and (b) the demand for our products.

John W. Craig

Our basic raw material is aluminum, a metal that is so versatile and so valuable to industry that its rise is unparalleled in the history of our technology. Will we be able to get enough to supply our needs? The answer would seem to be an emphatic "Yes!" not only for 1954, but for 1955 as well.

Since the outbreak of the Korean conflict, *$735 million* have either been spent outright for or committed to the expansion of facilities for producing aluminum. Last year the production of the metal was in excess of 400,000 tons *greater* than the tip top peak of the war years, and this year that imposing all-time high will be upped by probably another *120,000* tons. In addition to these vastly amplified U. S. sources, a quarter of a million tons per year will come into the U. S. market from Canada.

Furthermore, this steady, large-scale supply is a major factor in stabilizing the price of the metal—and stabilization is vitally important in any calculations involving the future!

The market? It's *big* . . . and growing *bigger!*

At the peak of our war production, almost all of the aluminum went for military use, chiefly in aircraft.

This fact had a peculiarly beneficial effect on the whole aluminum industry. Thousands of contractors and sub-contractors got a chance to work with aluminum for the first time; they found out for themselves how easily it handled, how superior it was in so many ways. Aluminum *sold itself* to American industry during those war years, with the result that industry adopted aluminum as its own as soon as it was possible to do so.

The acceptance of the metal by industry during the past eight years has been nothing short of fabulous. This year, with production up a half million tons over the peak war years, about *two-thirds* of that production will be going directly into civilian use through the building industry, transportation equipment, industrial machinery, household appliances, to name only a few of the large consumers.

However, as with every picture, there are shadows to contrast with the highlights. At Aluminum Industries, Inc., an important part of our production is devoted to the manufacture of aluminum pistons, and a complete line of engine and chassis parts for automobiles. Our future is, therefore, intimately bound up with the future of the automotive industry. During the first half of last year, a complete automobile was produced every five minutes; this year indications are that rate of production will be slowed somewhat, perhaps as much as 10% to 15%. Car production in 1954 is estimated at around 5,300,000 units.

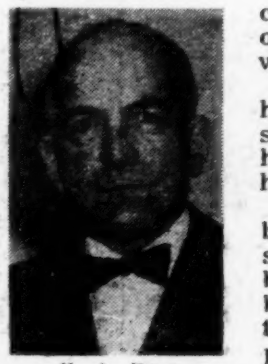
To offset this drop in new car manufacture, we can look forward to a greater demand for parts for the replacement market. With 29,100,000 vehicles on the road in the three to ten year group, distributors and jobbers are anticipating an increase in parts business over last year of some 8%. Our sights have been set on this increased activity in replacement parts, and plans have already been put into effect for intensified sales and merchandising efforts in this direction.

With the leveling off and stretching out of the war preparedness program, defense production will be curtailed this year. As a result, American industry will be called upon to exercise every skill and ingenuity to take up this slack in manufacturing capacity.

With an expanding market, lowered taxes in the offing, and an abundant supply of raw materials, I find it difficult to view 1954 with anything other than optimism.

E. A. DARR

President, R. J. Reynolds Tobacco Company



E. A. Darr

My view as to general business conditions in 1954 is an optimistic one. I think that business activity will be at a high level.

We may not hit the peaks that we have seen in some recent years, but savings funds of all sorts are at a high level, which means that people have the money to buy things.

In addition, the tax cut which will be effective Jan. 1, even though small, will add just that much to the buying power not only of individuals but of corporations who have had to provide for heavy excess profits payments and have thus been obliged to curtail capital expenditures for improvements, etc.

NELSON DAVID

President, Alaska Airlines, Inc.

The Territory of Alaska has experienced its most phenomenal growth since the end of World War II. Basically the two prime forces that have generated this remarkable development have been (a) the military expenditures for new construction and maintenance of men and facilities and, (b) the great expansion of air transportation within and to and from the Territory. Other economic forces, of course, bear most importantly in Alaska's new growth picture, but the throttle was opened by defense measures and expanded opportunity to move and ship by air.

Nelson David

Long prior to the war, the strategic importance of Alaska was understood by a few of our military leaders, but active acceptance of this truth did not prevail because of the remoteness, size and undeveloped nature of the area. Generally, the world thought of Alaska only as a place to go for gold, furs and salmon, and travel there was time-consuming and usually difficult. A good many years ago, General Billy Mitchell described Alaska as "the most important strategic place in the world," but his prophesy was unheeded until the Japanese landed in the Aleutians. Since then it is no longer questioned that Alaska occupies the Anchor position in the defenses of North America, and this was brought out clearly

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be somewhat easier to obtain in 1954 than during most of 1953.

On the fiscal side of the picture, the Government is operating at a cash deficit amounting to about $3.5 billion thus far in the period since last July 1. Although Government deficits are popularly supposed to cause price inflation, actually such deficits merely store up ammunition for future inflationary episodes, and the development of such episodes waits on the emergence of favorable demand and supply situations. In the spring the Treasury will have a surplus, owing to the existing arrangements for the payment of both individual and corporate taxes. This situation conceivably can exert some downward influence on business for the first half-year; but, on the other side of the ledger, individual income tax cuts and the ending of the excess profits tax will stimulate forces in the opposite direction. The present prospects for Government income and Government spending apparently imply moderately small budgetary deficits on a cash basis both for the current Government fiscal year ending July 1, 1954, and for the following fiscal year.

The monetary and fiscal indicators, therefore, do not point either to inflation or to serious deflation. Prices thus will remain stable, though the general wholesale price index may move down slightly in 1954 in response to continued over-production of some raw commodities. The retail price level, i.e., the cost of living index, likewise may edge down a little, though it is clear that wage rigidities are tending to produce some divergence in wholesale and retail price levels. Retail prices are now only slightly below their all-time high, whereas wholesale prices have slacked off to a point only about 10% above the 1947-1949 level, as compared with the 1951 monthly average of nearly 15% above that level. In summary, the general price outlook for 1954 at this writing seems to promise considerable stability, with little likelihood of movements strong enough to upset business expectations in either direction.

Important Flows of Spending

With this background, we may next proceed to analyze the important flows of spending which govern business activity and to appraise the outlook for each of these, and thus for business as a whole. The several sectors which we must look at include (1) government spending, embracing defense, other Federal outlays, and state and local spending, (2) business spending for plant and equipment, (3) business spending for inventory, (4) spending for construction, both private and public, and (5) consumer spending, which is of course by all odds the most important stream of spending. (Last year, with a gross national product of approximately $367 billion, consumer spending for goods and services amounted to about $230 billion.) The present outlook in each of these several areas of spending may be described as follows:

(1) **Government Spending:** Government spending for defense, including aid given to our allies abroad and sums spent on atomic energy, will undoubtedly drop somewhat from the 1953 figure of approximately $52 billion. A cut of at least $5 billion appears probable, though developments in southeast Asia may conceivably alter this estimate. Federal Government spending for nondefense purposes will be slightly lower in 1954 as some of the economies of the Eisenhower Administration begin to take hold. On the other hand, state and local spending for schools, roads, public buildings, and so on, is increasing and will continue to rise during 1954. Toward the close of 1953 this state and local spending was running at the rate of $25 billion, as against a figure of $23.4 billion in 1952. A further rise of at least $1 billion seems likely in 1954.

(2) **Business spending for plant and equipment:** Outlays by private business enterprise for new plant and equipment have continued high for several years. In the year just closed the figure ran close to $28 billion, though the trend was down in the last quarter of the year. For several years past, the McGraw-Hill Company has made careful surveys of the advance plans of business for plant and equipment spending, and the forecasts based on these surveys have been substantially accurate. For 1954 the appraisal is for a relatively small downturn of about 4% in plant and equipment spending, with manufacturing industries down 8%, mining and utilities down about 6%, transportation down a little less, and commercial trades and services on the contrary running somewhat higher. In some quarters these estimates are viewed as rather too optimistic, since most of the fast-amortization plants have now been built and it is unlikely that this class of plant and equipment spending will continue to be as important as during the past three years. Also some growing uncertainty in the outlook for business profits in 1954 may have an important effect in modifying present estimates. Nevertheless the high rate of technological development and sustained business confidence in the long-run trends of American industry may well continue to keep plant and equipment spending at a relatively high level.

(3) **Business spending for inventory:** Readjustment in inventories along with a decline in defense spending will be the principal source of changes in business activity in 1954. The rise in inventories which characterized 1953 is apparently flattening out and should come to an end early in 1954. Since much of the advance in business activity in 1953 was attributable to inventory-building, this process will now be reversed, and deflation of inventories during much of 1954 will reduce industrial output. A total reduction of $4 or $5 billion in all kinds of inventories — manufacturing, wholesale, and retail — is not improbable during 1954.

(4) **Construction:** One of the big questions is whether the housing

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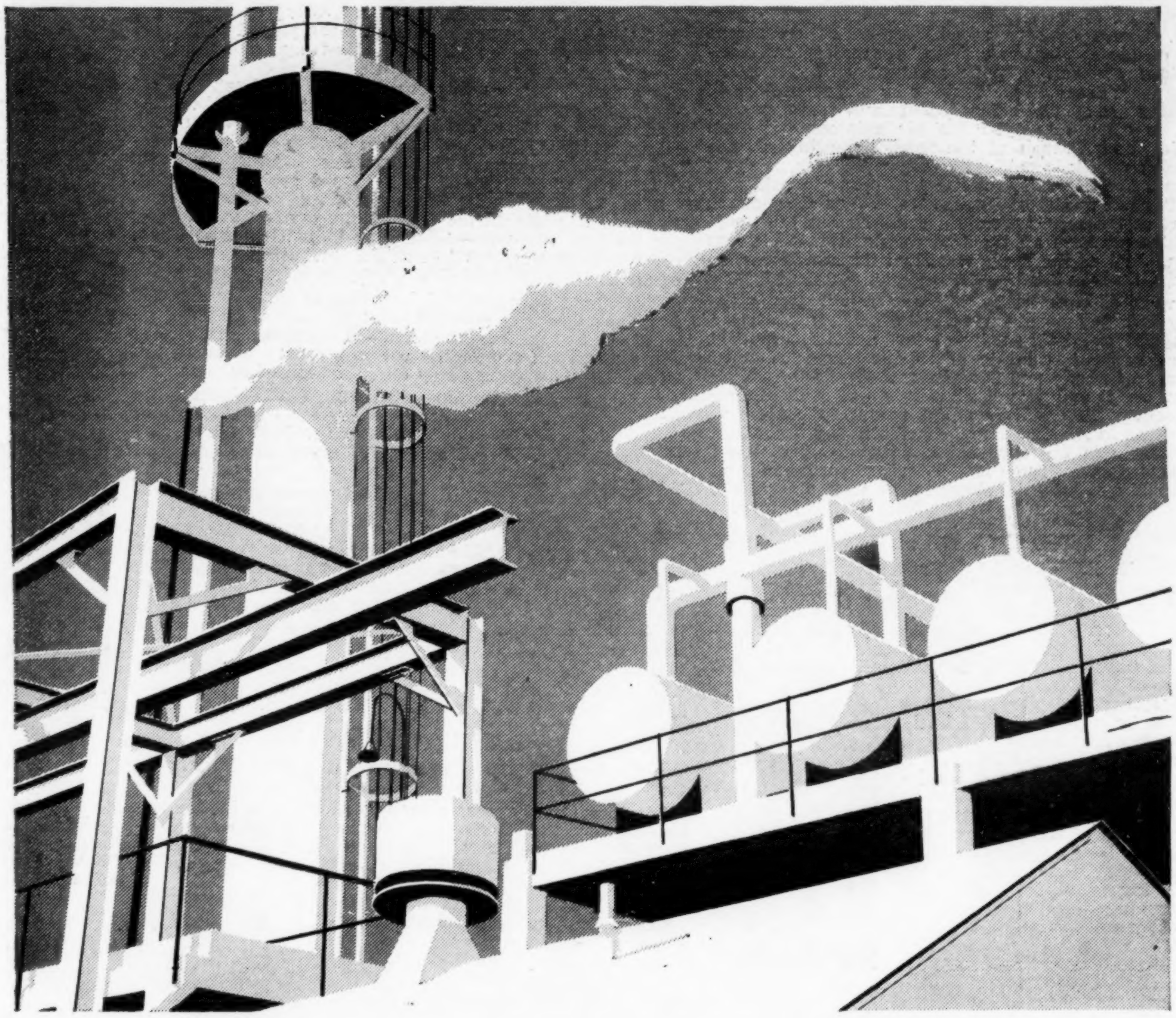

Maintenance...

Protecting the investment in physical plant and equipment at American Cyanamid's forty-one manufacturing plants and other facilities throughout this country and abroad is a fundamental purpose of our maintenance program.

This carefully planned program is designed also to maintain our operations on a highly efficient, low-cost operating basis. It contributes, too, to safeguarding the quality of our products, helps to promote safety and improve working conditions, and contributes to the "good housekeeping" essential to individual employee efficiency and high morale.

This is another way in which American Cyanamid, as a leader in the chemical field, is seeking to increase its services to American industry.

AMERICAN *Cyanamid* COMPANY

30 ROCKEFELLER PLAZA, NEW YORK 20, N.Y.

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several years ago by President Eisenhower when he declared that the "defense of Alaska is so important that it should be considered *before* the others, both in *time* and in *importance*." Accordingly, defense preparations have been enormous in the Territory and this continues apace.

Alaska is a vast land of approximately 585,000 square miles, or roughly the equivalent of one-fifth the area of the United States. It is larger than the combined areas of Texas, California and Montana, and its central area is about equal to that of seven of our mid-western States. The distance from the south-eastern tip of the Territory to the western-most island in the Aleutian Chain is the same as that from our Atlantic seaboard in the Carolinas to the central California coast. And Alaska is not adjacent to the United States. It is some 1,500 miles by air from Seattle, Washington to Fairbanks. To defend Alaska and to develop its tremendous storehouse of natural wealth, there must be suitable transportation means. This requirement has been increasingly met by air carriers and their development programs continue.

Where there is activity in Alaska, some airline participates. The extent to which Territorial commerce depends on air carriage is unique because surface communications are scarce, poor and frequently non-existent. In most areas all mail moves by air, regardless of class. There are special arrangements and ordinary parcel post is often employed for air shipment of even household goods. Much of the food, including perishables such as milk, meat, eggs and vegetables, is daily flown from the States to Alaska and between points in the Territory. Bundles of laundry and boxes of groceries form part of the regular loads carried by our bush aircraft, which perform all the functions of the truck, bus and train. Just as the early West had its Iron Horse, so has Alaska its Iron Bird.

Thus with sponsoring by military requirements the Territory is being provided with the air transportation facilities that are being utilized for, and are essential to, increasing commercial developments. Areas adjacent to Alaska, in Canada and Siberia, and the Scandinavian countries, have and are achieving great and diverse development with conditions and resources similar to those existing in Alaska. They afford striking proof that the Territory can be more thickly populated with an expanding economy. Such is the forward prospect, and 1954 will add a substantial share to the ultimate growth of the permanent economy of our Northern Territory.

DEANE C. DAVIS

President, National Life Insurance Co., Montpelier, Vt.

The life insurance industry enjoyed a particularly successful year in 1953 due in part to the high level of prosperity. Many signs on the horizon now indicate that the level of business activity in 1954 will be somewhat below that of 1953, but barring sudden and substantial changes, 1954 promises to be a year of high business activity even though new high records may not be established.


Deane C. Davis

Two factors which contributed substantially to life insurance sales in 1953 and in preceding years were the great confidence of the public in the nation's life insurance companies, and the singular dependence placed upon life insurance to protect the family from the hazards of mortality and other uncertainties. So long as these two factors dominate the public attitude toward life insurance, the industry will enjoy a very promising outlook regardless of minor ups and downs in general business activity. While life insurance sales are bound to vary somewhat with the degree of business activity, life insurance sales in 1954 should continue at least at the high level of 1953 unless business recedes more than eminent forecasters predict.

One of the very encouraging spots in the outlook for the life insurance business is the increasing population of the country for as the population increases, the need for life insurance protection grows accordingly just as the demand for other goods increases. Furthermore, increases in population add to the momentum of the economy generally and help provide the wherewithal for continued purchases of life insurance.

During the past year the price level has been held practically stable, and this fact alone adds new encouragement to the purchase of life insurance. For the first time in nearly two decades, the public has witnessed real efforts and has found substantial evidence that the value of the dollar once more might be looked upon as a symbol of stability. Continued assurances that the value of the dollar will not be allowed to depreciate further will greatly add to the bright outlook for the life insurance industry.

Life insurance tends to become increasingly attractive to buyers as the cost of life insurance declines. The continued march of medical and scientific advancement suggests over a longer term the probability of lower cost of life insurance as a result of improved mortality barring, of course, an atomic or other cataclysm.

In summary, careful analysis indicates that the life insurance industry may anticipate 1954 with genuine optimism.

HARRY A. DeBUTTS

President, Southern Railway System

Whether or not 1954 brings the "leveling off" period some economists foresee, many observers feel as I do that business and industry in the Southern States will continue to enjoy a generally high level of activity.


Harry A. DeButts

Their optimism stems from the fact that industry in the South is deeply-rooted, prosperous and nourished by an unbeatable combination of resources, markets and transportation.

Along the Southern Railway System's lines alone, business and industry are riding the crest of a billion dollar expansion in the past few years. A number of these new plants, many in the $20 million to $30 million class will just be coming into full production in 1954.

Solidly founded on almost a half-century of steady growth and inspired by the past 10 years of phenomenal expansion, the industrial South is moving so far and so fast that disinterested observers have joined such partisan enthusiasts as Southern Railway in naming it "America's new economic frontier."

Southern's role in this development has been twofold —first to encourage the establishment of new business and industry along its lines, and second to fashion a modern railway designed to provide the efficient transportation that spurs all business and industrial growth.

In both roles, the railway's record speaks for itself. New industrial developments along the Southern's lines have taken place at the rate of one every working day for the past 10 years—either new industries established, existing plants enlarged or new distributing warehouses opened.

Together they represent investments literally running into the billions of dollars, and their impact on the economic life of the region is readily apparent. By almost every yardstick economists use to measure progress, the South is outstripping every other section of the country.

Complete dieselization—with 896 diesel locomotive units in service at a cost well in excess of $123 million —represents one phase of the better railway the Southern has been and is building to serve this industrial giant.

Another is the $37 million yard improvement program that has already seen the opening of two modern freight classification and forwarding yards at Knoxville, Tenn., and Birmingham, Ala., and construction well under way on another at Chattanooga, Tenn. Improved signaling, extended use of centralized traffic control, the latest machinery for track maintenance and constant efforts to improve operating methods and practices all brighten the picture of today's Southern.

Borrowing a phrase from the investor's vocabulary, I would say that "growth prospects" still look very promising for both the Southern and the South.

JOSHUA A. DAVIS

Chairman of the Executive Committee, Blair, Rollins & Co., Inc., New York City

In almost every year a new word appears in the vocabulary of the American people. Remember "technocracy" in the 1930s; "penicillin" in the mid-40s; "chlorophyll" and "scrabble" more recently. We predict and nominate as the "word of the year" in 1954 a four-syllable slugger: automation. Opponents of free enterprise will seize on the word as representative of all that is evil. The extreme right-wing will call it the white hope, the knight in shining armor who will reduce Walter Reuther to tearful submission. And thoughtful men everywhere will wonder—during 1954—if automation doesn't mean a new cycle in the industrial revolution.


Joshua A. Davis

Automation is a generic term which will assume wider meaning as time goes on. At the moment it refers to machine tools, linked together and operating without manual labor. In February, an automobile manufacturer will take delivery of an automatic machine. This piece of equipment is 346 feet long and performs 539 machining operations on cylinder blocks. The capacity is 100 blocks an hour with 104 units in process simultaneously. The entire line is under the control of one operator. The cost: $2 million.

The thought processes which brought this device into being were outlined earlier this month by Ralph Cross, the Ameche of automation, at a dinner meeting of the American Society of Tool Engineers in New York. This sophisticated group sat enthralled as Mr. Cross—using a series of slides—showed the step-by-step progress from the first crude model which employed an overhead crane to transfer the work to the various machines up to the most recent model which mutters for a moment and spews forth a finished product.

This is a tremendous picture. Machines of extreme precision producing more accurate work are fed by mechanical hands under the over-all supervision of a mechanical brain called a Toolometer. The Toolometer masterminds all operations but principally that of warning when tools need replacement. A drill or a reamer performs so many operations and then loses efficiency. The Toolometer watches each function and flashes a warning when a change is needed. A pre-set tool is placed beside each warning device and replacement is a matter of less than a minute.

The earlier models were beset by the same problem that hampers sea-going convoys where the rate of speed is determined by the slowest vessel. The running time of the machine was governed by the length of service of the weakest tool, since the entire line was shut down by the replacement operation. The solution was found by grouping machining operations where the service period was approximately the same. Then each dissimilar group was separated by an automatic stacking device which stores up and holds the production of "operating series one" while tools are replaced in the "group two" of the series. Meanwhile "group three" continues to operate out of a surplus which was stored up in anticipation of the shut-down of "group two."

A machine like this will replace 70 to 80 skilled workers. (The distant rumblings you hear are defunct Fabians rotating in their graves.)

Both Ralph Cross and his brother, Milton, recognize the controversial nature of their product. Meeting the problem of labor displacement head on, they have created an economic approach which points out that all modernization—including automation—should be introduced to industrial plants on a programed basis. Scrapping efficient machinery to buy a new model is just as wasteful as running a completely obsolete plant. New machinery should justify the expenditure by comparative profit analysis with the machine currently in use. When automation is geared in and proved up financially in this manner, displaced labor can, in most cases, be assimilated in other parts of the plant, where production must be stepped up to meet the increased volume created by automation.

Automation meets the definition of what produces prosperity in a free economy: greater productivity at lower cost through increased efficiency, which in turn produces lower prices to the consumer and broadens the base of potential ownership.

Surrounded by curses from some and blessings from others, you'll be hearing it more and more in '54. Pronounced to rhyme with admiration, the word of the year is automation.

RICHARD R. DEUPREE

Chairman, Procter & Gamble Co.


Richard R. Deupree

In looking ahead, it seems to us the entire world situation is a bit calmer; certainly business has settled into a pattern from which one can more or less foresee events and, with the great purchasing power that is potential in this country, we look ahead with real confidence to the future.

CHARLES H. DIEFENDORF

President, The Marine Trust Company of Western New York, Buffalo, N. Y.

It is now generally recognized that a business adjustment has been underway for some months. While a high level of activity has been maintained throughout 1953 and a postwar peak level was reached in the spring of the year, actually many industries have been confronted with readjustment problems particularly in the latter part of the year. Nor is it surprising that some measure of decline should appear in the general level of industrial activities in the light of the long duration of the postwar boom.


Charles H. Diefendorf

In attempting to forecast as to whether we are entering a period of major decline in the economy or one of adjustment followed by a return to relative stability at levels comparable with those of the past few years, it is well to appraise the changing situation through which we are passing. First we have the fact that the economy has felt the effect in recent years of great stimuli, some artificial and of doubtful soundness, which can hardly be expected to be equally present in the more immediate future. The international situation, both political and economic, appears to be taking a different turn with consequent effects on the domestic outlook and a transition to a competitive economy which has been underway, on an industry by industry basis, is moving toward completion.

None of these factors need work to disadvantage but, on the contrary, after a readjustment, could well bring about a stimulation of the general economy.

Among favorable expectations for 1954 are progress toward inventory adjustments, substantial government demands for goods and services, readily available credit at reasonable cost, increased highway and other expenditures by State and local governments, housing construction at a high rate, and most important, a continuation of government efforts to stabilize the economy and to instill confidence through sound money and budget policies.

Based on all that is apparent at this time, it appears that any down-swing in the business cycle in 1954 will

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boom is over or whether it still has some time to run. Recently the number of new housing starts has been running about 10% lower than in the corresponding months of 1952, that is, roughly one million starts as against 1.1 million. In relation to family formation, number of marriages, number of families still doubled up, population increase, and so on, the housing boom has already run farther than expected. Family formation is now down to 900,000 a year, as against 1.6 million at the end of the war, and marriages will tend to decrease further in the years just ahead because of the low birth rate during the 1930's. Today fewer than 1.5 million families are living doubled up, as opposed to three million at the close of the war. Also it may be observed that since 1940 the number of nonfarm housing units has increased by more than 50%, whereas population has increased only about 28%.

On the other hand, there are factors that bid fair to prolong the housing boom. These include the continued strong trend to the suburbs; the development of new fashions in housing, tending to speed the rate of obsolescence; the swing to larger families; and the increase in discretionary spending power in conjunction with easy credit terms that have made the financial burden of home ownership no greater than that of renting. When it is considered that mortgage money may be somewhat more readily available, and possibly at lower rates, in 1954 than in 1953, there is no present reason to suppose that the number of new housing starts will fall very greatly below the 1953 figure.

Of course, as mentioned earlier, the outlays in the field of public construction clearly will increase in 1954 because of the pent-up demand for schools, roads, and public buildings, to say nothing of plans which the Administration may initiate to speed up public construction as an antidote to the decline in defense spending.

(5) **Consumer spending**: In order to appraise the outlook for consumer spending in 1954 it is necessary to look at the prospects for consumer income and to try to size up consumer attitudes toward spending.

During recent months, total personal income has been exhibiting a small decrease; and with somewhat lower industrial activity in 1954 and the prospect for fewer wage increases than in 1953, this slight downward trend of personal income may be expected to continue. Farm income, of course, has already declined substantially; but the rate of decrease in this sector of income is likely to be less than it was in 1953. On the whole, the outlook seems to be certainly not for an increase in consumer income in 1954, and probably for some decrease. This situation does not necessarily mean, however, that consumer disposable income (that is, what consumers have left to spend or save after they have paid their taxes) will be lowered to the same extent, since of course the 10% reduction in personal tax rate became effective as of Jan. 1, 1954. Hence the 1953 figure of $248 billion for disposable income may not be reduced in 1954 by more than $4 or $5 billion at the most. Also it is to be remembered that some augmentation of consumer spending power may come from the substantial maturities of Savings Bonds in 1954.

Consumer attitudes toward spending in 1954 are more difficult to appraise. The big question, of course, is on the rate of consumer saving, now running at a figure of nearly $19 billion a year, or 7.5% of disposable income. Will this rate of saving increase, or decrease, in 1954? Here we must confront the problem of consumer debt. Total consumer credit outstanding is at a new high of over $28 billion, but it is noticeable that the rate of increase has been slackening. Consumer installment buying seems to be leveling off. At the same time, however, consumer payments on retail accounts receivable (30-day open-book accounts) have been lagging seriously. Seemingly some consumers are tending to curtail both their spending and their payments on 30-day accounts in order to maintain their payments on instalment accounts and home mortgages. These are the effects which have so long been predicted as a consequence of the rapid growth of instalment credit. The danger is not that of widespread default but rather the possible slowdown of industrial production which results from consumers' tending to pay off old obligations faster than they incur new ones.

On the other hand, the most recent study by the University of Michigan Survey Research Center with respect to consumer buying intentions indicates a more favorable attitude toward purchases of large household items at the present time than previous surveys have shown during the past year. Consumers participating in this most recent survey apparently look for stable prices and continued high income, even though a higher percentage of them than in previous surveys expect considerable depression and unemployment at some time during the next five years. The question of course is whether consumer psychology will stay good during 1954, particularly as unemployment figures mount. (An increase of 400,000 unemployed has just been reported in December, and of course this development took place subsequently to the Michigan survey.)

As has been so often emphasized, the critical problem with respect to consumer spending develops because of the large and growing area of optional expenditures, purchases particularly of consumer durable goods which can easily be postponed. That is why the automobile business is such an important question mark for 1954. The 1953 production was about 6¼ million cars, representing roughly 13 cents out of the consumer dollar, as against an apparently normal figure of around 10 cents. There is much plausibility, therefore, in the view that the 1954 demand for automobiles will not exceed 5.5 million cars.

In relation to this optional area of consumer expenditure, of which the automobile is so good an example, the important point is the necessity for manufacturers and all kinds of distributors to push

Continued on page 53

CASH REGISTERS. Nationals are used in ticket offices and on dining cars to speed service, provide valuable control and information.

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W. S. Price

Vice-President, Finance and Accounting

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THE NATIONAL CASH REGISTER COMPANY, DAYTON 9, OHIO

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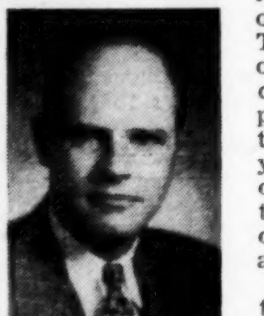
not be of great magnitude and that the general level of business, while somewhat under the 1953 average will produce a high national income and a satisfactory business year.

GEORGE S. DINWIDDIE

President, New Orleans Public Service Inc.

Recent information on current general economic conditions shows varied estimates for 1954 ranging from mild pessimism to cautious optimism. There is general agreement that for the past three or four months we have been moving through a period of balanced downward adjustment. The point of change was the close of the Korean hostilities. Opinions differ, however, concerning the probable rate of decline in production, sales and prices during the new year. Some observers anticipate only minor reductions; while others, thinking primarily of selected goods or industries, see stronger cause for apprehension.



George S. Dinwiddie

After 30 to 60 days of accent on the pessimistic forces at work, we now find some reversal of attitude with accumulating support for the view that 1954 will still be a good business year by comparison with all years except possibly 1953. It is expected that Federal, state and local government spending in total will continue at high rates. Dollar volume of consumer and business spending may shrink somewhat, but if lower costs are attained as they may be, real incomes and profits can match those of 1953. Abundant production and lower prices in a buyers' market are providing a new experience for breadwinners.

Federal tax law now provides for 1954 reductions in individual and corporate income taxes, and elimination of excess profits taxes. The result should be more consumer and business spending than would otherwise be the case.

The encouragement provided by these tax reductions may well bring about an ultimate increase in expenditures, construction, production, payrolls, and business incomes. In this event, more goods and services will be provided for more people, and a larger aggregate of taxable income will be produced for support of Federal Government needs.

New Orleans Public Service Inc. provides electric, natural gas and transit services in the City of New Orleans.

We look forward to sustained growth in the use of both electricity and gas. New techniques in manufacturing and new office and home needs for economy, comfort, and convenience will bring ever mounting demands for service. Air conditioning, once regarded perhaps as a luxury, is becoming a necessity.

Natural gas service has been provided in New Orleans since 1928. Home, commercial and industrial use of natural gas expands slowly but steadily. Increasing numbers of large pipeline companies are obtaining certificates of convenience and necessity from the Federal Power Commission which allow them to export natural gas from producing regions. Such exportation is bringing about larger withdrawals for gas reserves and higher field prices. We will continue to urge that the governmental agencies having authority give full consideration to the needs of local consumers in the gas producing areas.

In order to provide for an ample supply of gas to New Orleans consumers, Public Service in 1952 negotiated a new gas purchase contract which extends through 1975. Prices are of sourse subject to change by appropriate regulatory authority.

As to the transit industry, people living in urban centers are beginning to realize more and more that efficient transit systems can help solve traffic problems and preserve the high level of usefulness of existing business and trade centers. Transit can move tremendous volumes of people with minimum and brief use of street space.

In New Orleans, with the cooperation of the city officials, we are endeavoring to operate an efficient transit service at a relatively low fare, and thus encourage wider use of the service, especially in congested areas. Riding has declined since 1946 because of the sharp increase in automobile usage following the rationing period of World War II. We hope, however, that growing recognition of the economy, safety, and convenience of transit riding will bring about a larger volume of rides, particularly in off-peak hours.

LELAND I. DOAN

President, The Dow Chemical Co.

It is becoming redundant to say that competition is going to be tough. Competition is already keen and, as I see it, will intensify in the months ahead. Accelerated expansion made necessary by the international situation has resulted in capacities in a number of lines that are beyond current domestic requirements. This adds up to a picture which looks good in the long view, if less attractive for the immediate future.

Leland I. Doan

As I see it our economy has crossed the threshold of a new normal. Perhaps "normal" with reference to economics can no longer be defined, but I see it as a period of generally high productivity and employment; a period in which there will be some ups and downs but which, on the whole, is sufficiently on an even keel that it might serve as an economic base period at some future time. I say "new" because this era bears little resemblance to such previous base periods as the middle '20's or late '30's. Our productive capacity is infinitely higher, as are wages and living standards. We have a greater international awareness, and industrially we have vastly greater frozen-in overhead—not only greater capital investment per worker, but pensions, insurance programs and other fringes as well as new staff functions and policies indicative of greater social consciousness.

Our labor relations, while not perfect, are more intelligent and mature. Our government is "middle of the road," and while some tax relief is now in prospect it seems certain that governmental spending and taxation will continue at high levels. Governmentally and otherwise we have better means to cushion set-backs and plug leaks in our economic dikes.

These and other factors add up to a new look in normalcy which should be quite satisfying. Certainly we cannot be complacent, but neither do I think we should be apprehensive because our recent abnormal pace of economic expansion is now decelerating somewhat.

If the months ahead bring all the problems which attend a highly competitive period, they at the same time bring opportunities for business to do many things which were impossible or infeasible during its period of forced-draft expansion.

The 1954 businessman can well apply himself to strengthening his organization, eliminating wastes, improving operational techniques, surveying critically his marketing methods and channels of distribution, as well as intensifying the research from which tomorrow's progress will spring.

These are the things which make our economy so highly productive and are thereby at the root of its great strength. So to the degree that a buyers' market provides incentive for these activities it contributes to our fundamental economic health. We should approach 1954 with sober and analytical minds, with enthusiasm and ingenuity, but above all, with confidence.

ERROL W. DOEBLER

President, Long Island Lighting Co.

The arrival of 1954 finds Long Island looking forward to another year of progress and growth.

Continued migration of new industries to Long Island attracted by numerous advantages, will give still further diversification and provide an ever stronger economic base from which to operate. One of the most reliable barometers of territorial growth is the demand for gas and electricity. This demand reached an all-time high on Long Island during 1953 and is expected to grow during the coming year. We estimate that 1954 will see about 15,000 gas and 30,000 electric meters added to our system.

Errol W. Doebler

Hundreds of new homes will give convenient comfortable housing to our ever-growing labor force. The commercial establishments, which bring the necessities of home and business life to our communities, are expected to increase in size and number.

Our long-range plans call for a continuing construction program which will include the completion of a new 100,000 kilowatt electric generating unit at our Glenwood Landing plant in 1954 and the start of construction, during 1954, on what will be our largest electric generating station at Anderson's Island, Island Park.

Continuing to emphasize our search for better and more economical means for serving the people of our territory, we will stress research and development work which in the past year has proven itself well worth while. We have realized considerable savings in construction costs by using outdoor type turbines, formerly thought suitable only for warmer climates; by using materials new to our system such as aluminum wire in place of copper; and by standardizing construction and maintenance work throughout our territory.

During 1954 we shall continue our program of centralizing personnel and equipment where possible to facilitate operation. With the first section of our Hicksville Central Operating Headquarters completed during 1953, further studies culminated in plans for the eventual construction of a $2,600,000 administration building and a $780,000 gas meter shop at this location.

The addition of new load-building appliances, the more widespread use of familiar ones and the continuous addition of new customers to our system will bring their share of problems. Good planning, however, will take care of these problems.

We expect 1954 to be a busy year and a profitable one.

GUILFORD DUDLEY, JR.

President, Life and Casualty Insurance Co., Nashville, Tenn.

In spite of the fact the consensus is there will be some "leveling-off" in our national economy during 1954, there seems to be no reason why the life insurance business as a whole cannot fare at least as well as it did in 1953, if it doesn't actually record increases from the standpoint of the sale of new business.

Guilford Dudley, Jr.

The life insurance industry has shown gains year after year for the past few years, as have other industries, but not for the same reason. Some have prospered because of the bare fact that more people had more money to spend. Others gained because of the nation's war and/or defense needs. While it is true that life insurance prospects are today somewhat less reluctant to part with premium dollars, higher wages do not automatically create a greater consumer demand for the unique services of life insurance as it does for certain tangible consumer items offering immediate satisfaction upon purchase.

Life insurance must be "sold" in good times as well as bad. For this reason, the training of life insurance agents has increased rather than diminished during the past several years.

If, as has been predicted, competition for the consumer dollar is keener in 1954 than it may have been in 1953 or 1952, the life insurance representative, through his training, is prepared to meet the competion. He may have to make more calls, work a little harder, but he will not lose momentum or valuable time by having to stop to learn to sell all over again, which is the prediction made for many sales organizations.

There are some indications that life insurance representatives generally have not been working quite as hard as they used to. Most life insurance companies have experienced excellent production of new business the past several years and greater increases of life insurance in force. However, the number of policies issued, though increasing, have not increased proportionally. This indicates that the average life insurance salesman is making larger sales but not as many as he once would have made to secure the same volume. However, personal effort can be increased instantaneously while the techniques of selling can only be improved over a period of time.

Similarly, we feel we can reasonably expect a good year from the standpoint of investments. It is expected that construction for housing will be in excess of one million units this year, which will create a demand for mortgage loans; and the vast amount of government financing which must be done in 1954 should prevent any drastic change in the interest rates on government bonds.

All in all, we feel the outlook for the life insurance industry is most favorable for 1954.

DR. ALLEN B. DuMONT

President, Allen B. DuMont Laboratories, Inc.

The year of 1953 witnessed greater over all progress for television and electronics than in any previous year.

In this first full year since the lifting of the freeze on construction of new stations, manufacturers of television broadcast equipment swung into high gear production for the first time. As a result, the number of new stations which went on the air far exceeded the most optimistic predictions of 1952.

Dr. Allen B. Du Mont

At the close of 1952, there were 125 stations in operation, 17 of which were post-freeze installations. It was generally thought back in January, 1953 that about 75 new stations would go on the air and equipment for about 75 more would be shipped. Instead, there are approximately 350 stations in operation, and more than 225 are preparing for early television transmissions.

Matching this production of broadcasting equipment was the manufacture of approximately seven million black-and-white receivers to bring the total number of sets now in use to the figure of 27½ million.

Expansion was the keynote in other branches of television. Programming made substantial progress as did the use of closed-circuit television in the multiple fields of merchandising and for a growing number of industrial uses.

In 1953, Allen B. Du Mont Laboratories, Inc., as the only company engaged exclusively in television in all of its phases, reflected the patterns of expansion within the industry.

The Du Mont Television Network continued to strengthen its position as a truly national video service. From 74 affiliates, which composed the network at the

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Department Stores Face Major Tests During 1954: McNair

hard on quality improvement, innovations, new items, lower prices, and so on, in order to induce greater consumer spending; and it is the retailers' part in this task, of course, about which we have been talking to you most of this evening.

On the whole, I am reasonably optimistic on the outlook for consumer spending in 1954. I believe it will take strong effort on the part of both manufacturers and retailers, but I think the prospects are good that consumer spending can be maintained at a figure only slightly below the peak reached in 1953.

Pulling the Picture Together

To pull this whole picture together, what I visualize in the way of key economic trends for 1954 may be expressed in the following specific guesses (although I recognize the danger of going so far out on a limb). These are estimated averages for the calendar year 1954:

Gross national product $350 billion, down from $367 billion.

Federal Reserve index of production down 6% or 7%.

Unemployment slightly over 2½ million.

Disposable income $243 billion, down from $248 billion.

Personal consumption expenditures $227 billion, down from $230 billion.

Wholesale price level down 1½%.

Cost of living down 1%.

Money and credit conditions slightly easier.

Profits moderately lower.

If these guesses should prove not too wide of the mark, 1954 can be characterized as a year of business readjustment rather than as the beginning of a serious recession. It will therefore resemble 1949, though the readjustment in 1954 bids fair to be both broader and somewhat deeper than that of 1949. The situation that developed in 1949 was primarily a soft goods inventory adjustment. At that time the demand for heavy goods was still strong—housing, plant and equipment, and consumer durable goods. At this time, however, a more general inventory adjustment seems to be called for, certainly including consumer durable goods; and there is perhaps some doubt as to how strongly the underlying demand for housing and plant and equipment will bolster the total situation. Therefore, I do not have the temerity to guess whether an upturn will take place before the end of 1954 or whether the readjustment will extend into 1955.

I have noticed that most economists seem to be much happier when they are appraising the long-run outlook for the American economy than when they are trying to assess nearby contingencies. Though generally deprecating that tendency as a type of escapism, I believe that a word or two concerning the longer-run outlook may not be inappropriate here. The darkest cloud on the horizon, of course is the international situation. I am not one of those who believe that this situation is improving. On the contrary, I think the realization gradually will grow on us that we are losing the cold war, that ultimately we shall have to end our wishful thinking and face the necessity of large sacrifices to defend our national existence. I believe this crisis will come before 1960. But even if this dark expectation should prove to be wrong (and I sincerely hope that it will), we must, at some not too distant time, face squarely up to the problem, not unrelated to international tensions, of our economic and trade relations. With the rest of the world. We cannot, for instance, continue indefinitely our agricultural price support program, with its drain on the taxpayer and its accumulation of surplus foodstuffs that spoil in government warehouses while millions throughout the world go hungry. Another ominous portent is the increasing incidence of crime in this country, and the closely related factor of teen-age delinquency. All our bright economic prospects will avail us little if we are unable to halt this rising tide of moral disintegration. Clearly the burden on home, church, and school is a very real one.

But if we can counter these adverse threats and trends, there is no disputing the fact that our economic future is bright. Advancing technology, population growth, and the driving spirit of free choice and free endeavor can build us an economic future literally without limit. At other times and in most other countries today the factor of rapid population growth could not be listed as an economic asset, for increased population would simply cause more pressure on scarce means of subsistence. Today in the United States we are, as someone has put it recently, "over the hump" with respect to population, because population growth increases our domestic market, and the growing requirements, demands, and desires of our domestic market are increasingly the source of our prosperity. It is this message, of course, which Paul Mazur has sought to convey in his book, "The Standards We Raise"; and it is on this hypothesis that has been built much of the work of the Committee on Dynamic Retailing for the Modern Economy, whose group chairmen have spoken to you this evening.

But these considerations are taking us too far afield. Let us return to the more specific examination of the retail problem for 1954, and more particularly the spring season of 1954. Total retail sales for the period January through November, 1953, were +5% over the same 11 months in 1952. For the same period department store sales were +2%, and the recently published figures for December indicate a break-even in sales between the two years for the important Christmas selling period. In part this discrepancy between the trend of total retail sales and the trend of department store sales reflects the substantial emphasis on automobile sales in 1953. It is also to be borne in mind that during the past several years department store sales in relation to general merchandise sales, and indeed in relation to the entire group of nondurable goods sales, have been falling behind. Because of the expected decline in automotive sales in 1954, depart-

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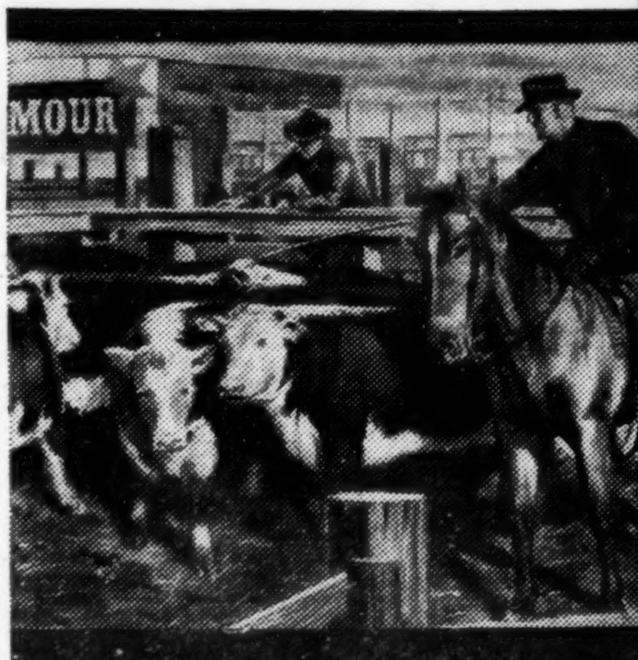

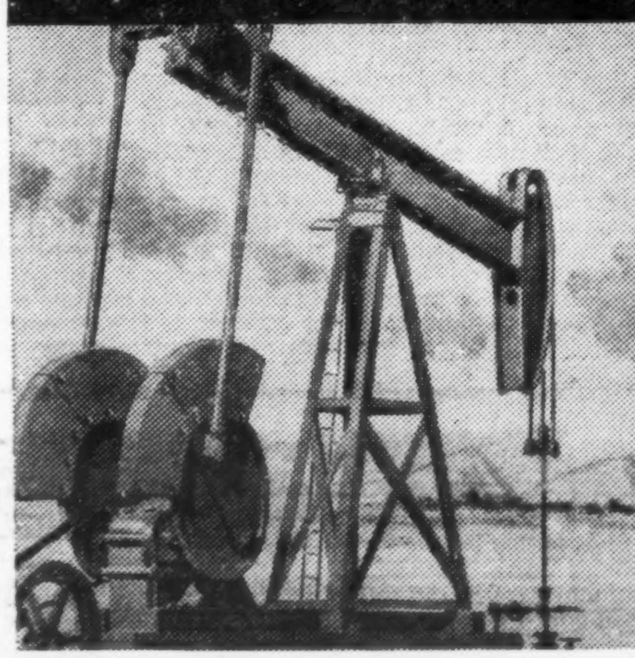

It's a long jump from stockyards to oil fields, but Armour serves industry, as well as consumers, in both places. To take one example, both secondary oil recovery and primary production are benefiting from Armour chemicals which combat corrosion, lower surface tension, and work in other ways to increase production. This is just one place where Armour non-food products are used to solve industrial problems. Other applications range from the making of fine papers to road resurfacing, from new methods for case-hardening metals to softening textiles. And future applications depend only on the challenges we receive from you!

All industry can benefit directly from Armour food products, of course. Many plant cafeterias run more smoothly because of the dependability of Armour foods. We prepare and package many products especially suited for cafeteria operations. This is particularly true for factories and large business organizations whose huge number of employes must be fed well—but quickly, and at low cost.

In both food and non-food operations, the range of our products is the result of our 86-year-old desire to serve industry wherever and whenever possible.

In recent years we have taken—and helped other industries to take—great strides. If you have a problem we might help solve, call on us today.

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end of 1952, the number of stations on its roster has grown to 205. A majority of these are interconnected by A T & T facilities. Outside of the United States an exchange agreement was effected with the Canadian Broadcasting Corporation covering its currently operating stations in Toronto, Ottawa, and Montreal, and for additional stations as they go on the air. Similar agreements are being worked out in Mexico and Australia.

Signing of new network business kept appropriate pace with network expansion with a sizable increase in network billings for the year.

In the Spring of 1953 Du Mont started the presentation of programs from its new Tele-Centre in New York. The Tele-Centre contains the most modern television studios in the world. WTTG, the Du Mont Washington, D. C. station, completed its move to new facilities in the Raleigh Hotel, where it produces more live programs than any other station in the nation's capital. WDTV, Du Mont's Pittsburgh station, is completing its new studio in the Gateway project, which will be one of the most modern studios in the industry. The station is also preparing to move to higher power with its new Du Mont 25 Kilowatt television transmitter.

The Du Mont Instrument Division, world's largest producer of Cathode-ray oscillographs and allied equipment, strengthened its position in the instrument field when it occupied a completely new plant, largest in the world devoted exclusively to the production of Cathode-ray instruments. The plant, located in Clifton, New Jersey, provides 118,000 square feet of office, engineering and production space. The Division produces the most complete line of oscillographs and accessory equipment for making precision measurements in such diversified fields as medicine, nuclear physics, acoustics, ballistics, automotive and aircraft engineering.

The Du Mont Television Transmitter Division almost doubled its size and output during 1953. It set a new industry standard with the introduction of a new high-power 5 kilowatt UHF television transmitter. This new transmitter gave such performance and coverage that the art of UHF telecasting was brought to full maturity. The Division also started regular delivery of its new 25 KW VHF transmitters. The Du Mont Video Recorder, shown for the first time at the 1953 Institute of Radio Engineers show in New York City, provides the television broadcaster with superior equipment for the film recording of programs. In addition to the broadcasting field, the Division was active in industrial television. It introduced the Tel-Eye, a small-size, portable television camera which can be directly connected to standard television receivers and gave a major impetus to the rapidly growing field of closed-circuit industrial telecasting. A new 1 kilowatt UHF transmitter was also introduced for those broadcasters desiring to go on the air with medium power stations.

Recently the new Du Mont "Colorvision Slide Scanner" was introduced. This precise electronic-optical equipment will aid the development of color television receivers and programming, since it will provide broacasters and manufacturers of receivers with a video color signal source for test purposes and for the design of new equipment.

Du Mont's complete line of television receivers found increasing consumer acceptance. The Receiver Division's sales showed a 25% increase over 1952. Despite heavy receiver inventories throughout the industry, Du Mont's portion of national manufacturers' inventories dropped more than 40% from November 30, 1952 to last November 30. In 1954 the Division is activating an accelerated and broadened plan for continuing analysis and follow up relating to consumer demand, production scheduling, merchandising, and sales.

The Cathode-ray Tube Division continued to pioneer in the development of new tubes for television and industrial use. In 1953 its outstanding development was the "Hi-R" Teletron, which produces pictures with greater resolution than previous electrostatic focus picture tubes. By generating a smaller, rounder spot, the "Hi-R" Teletron provides maximum contrast between fullest whites and deepest blacks. For industrial users of Cathode-ray tubes, the "Mono-Accelerator," a new development enabling more accurate quantitative as well as qualitative measurements using Cathode-ray tubes, was introduced. These 1953 developments are major achievements in the design of Cathode-ray tubes.

Although final figures for Du Mont for 1953 are not yet fully compiled, sales for the first 11 months of this past year for the overall company were 20% above those for the comparable period in 1952. It is anticipated that profits for the full year will exceed those of 1952.

An important industry development during 1953 was the approval of the industry's proposed color standards by the Federal Communications Commission. Although the decision is ahead of the industry's ability to deliver commercially practical color television and programs for several years, it does standardize a system of color broadcasting that is compatible and in the public interest.

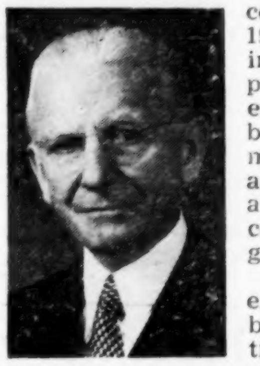
Consumers, on the whole, will demand large screen color television. Du Mont expects to introduce such a receiver in 1954, but the public should know that color receivers produced by any manufacturer will be too expensive for the average consumer—regardless of the screen size.

Nor will many color programs be available for viewing in the near future. In time our industry's ingenuity and technical competence will change this situation. But large-screen color television at reasonable cost is a number of years away. Consumers who want the enjoyment of television during the next few years will find that today's black-and-white receivers offer exceptional value combined with reliable, movie-clear reception.

ALEXANDER E. DUNCAN

Chairman of the Board, Commercial Credit Co.

Commercial Credit Company has just closed its biggest and best year in its history. The outlook for the company for 1954 is very satisfactory, provided nothing unusual turns up to upset the economy of our country.



Alexander E. Duncan

In my opinion, an adjustment recession in business of 5% to 10% in 1954 over 1953, with proportionate increase in unemployment would prove much more sound for our economy than a continuation of a boom period. This would bring about much needed economy in operation and increased efficiency of employees and help to create a more normal ceonomic condition. I think 1954 will generally be a good year for business.

I am quite opposed to lowering existing tariffs—some of them should be raised. This country cannot continue to give, sell or lend its most modern machinery and supply the know-how to train employees in foreign countries to operate same at a greatly reduced wage scale and standard of living and then expect to compete with such countries, either abroad or even in the United States. Having a somewhat similar wage scale and standard of living, free trade might well be economically sound, but not at present, between the United States and foreign countries.

HON. HENRY DWORSHAK

U. S. Senator from Idaho

Congress and the Administration should act quickly to help stabilize the domestic mining industry, especially the lead and zinc producing segment which has suffered widespread unemployment and production curtailment because of excessive imports of low-cost metals.

Henry Dworshak

Legislation providing for a flexible stabilization tax on lead and zinc imports failed to pass in the last session and thus deprived the domestic industry of one source of protection. The situation has grown progressively worse since then and neither the Congress nor the Administration can longer avoid the responsibility of dealing with it.

Now, at a time when proposals are being made to relieve unemployment in certain industrial production areas by spreading defense contracts, it seems indefensible to ignore the domestic mining industry—so vital to our defense and to our national economy—and which has been in distress for more than a year.

Currently, I am studying various legislative approaches and intend to introduce legislation early in the coming session.

During some months of 1953, enough zinc was imported to take care of our entire current requirements, thus obviating the need for producing a single ton of zinc in the United States. How can we expect to maintain a sound mining industry in this country under such conditions? Reliance upon foreign producers is unsound economically and a menace to our national security. As more and more domestic mines are closed down, the American consumer is being forced to place greater reliance on foreign sources. It has been obvious that when metals sell at high world levels, as they did in 1951, foreign producers prefer to sell to any customer willing to pay the price without regard to the needs of the United States; but when prices slump they direct their surplus stocks at this country. The result has been depressed prices, curtailed production and unemployment in the domestic mining industry in the United States.

With the exception of abnormal periods, this country has imported approximately one-third of its requirements of lead and zinc. It would appear equitable to foreign producers as well as a safeguard to our domestic industry to maintain this approximate ratio. Other countries have placed both tariffs and import quotas upon many commodities, and some action should be taken by Congress with administration support to set up adequate safeguards for our own mining industry. Surely it is no more illogical or unreasonable to demand consideration for producers and consumers of lead and zinc in the United States than it is for certain elements to call for loans and grants of American dollars to support and expand the economic status for foreign producers of these minerals.

Virtually every foreign producer of minerals has lower costs than our own industry where wage levels have reached high standards. Tax-saving incentives are not in themselves a solution because they mean little to an industry which is losing money or is shut down. Stockpiling would not curtail unneeded world production. Wheat, flour and sugar producers in this country are protected by import quotas. Consideration should be given to some means for stemming the flood of low-cost foreign metals which is fast washing out a key domestic industry and making us increasingly dependent on uncertain, if not capricious sources of supply abroad.

W. H. EDWARDS

President, Lehigh & New England Railroad Co.

The Lehigh and New England is a freight-carrying Class I Railroad. We have no passenger, express or mail service. In fact, we have very little L. C. L. service.

W. H. Edwards

In the first 10 months of 1953, 38% of our tonnage was anthracite, 16% bituminous coal, 29% cement and 17% miscellaneous. Our investigations have convinced us that our bituminous coal tonnage will be better in 1954 than in 1952 or 1953, and that our cement and miscellaneous tonnage will be better than in 1953 and approximately equal to 1952. Tell me what kind of weather we are going to have in 1954 and I will forecast our 1954 anthracite tonnage. After having an unusually warm winter for the past four years and with every prospect for the same kind of warm winter this year, I hesitate to forecast business conditions for the new year. Undoubtedly, if we have a cold winter our anthracite tonnage will materially increase.

H. P. EELLS, JR.

President, Basic Refractories, Inc.

Following the anticipated decline in steel production in 1954, the consumption of granular refractories, an essential element of the steel making process, is expected to be correspondingly lower in the coming year.

Having kept pace with the rapid steel expansion program over the past decade, the industry is faced with the same problem as other industries which are receding from the peak production levels to which plant capacities have been geared. Fortunately, in many instances this can be accomplished by abandoning or reverting to a standby status older plants which have been substantially depreciated and have, in effect, become obsolete by reason of technological improvements in newer units.

However, after being accustomed for such an extended number of years to producing everything possible with the facilities available, we must now make certain readjustments. In planning capital expenditures, the greater emphasis must shift from capacity increasing projects to cost reduction measures. A reduction in the number of hours worked per man is also indicated, not only as a cost saving device through reduction in overtime, but as an effort to keep the greatest number of people gainfully employed. And, of course, the continual search for new and better products to enhance competitive positions must be maintained.

With the effective use of these measures, earnings for 1954 should not be affected as much as the decrease in volume might at first indicate.

A. G. ELAM

President, Southern Commercial & Savings Bank, St. Louis, Mo.

What is ahead for 1954? It is difficult to predict with any degree of accuracy just what will happen to the banking business since banking, more than most businesses is affected largely by individual temperament, and no two people's reactions are the same, even though the conditions and circumstances are similar. All signs indicate there will be some important changes. Bank management will play a major role this year, because it will be examined by the individual more carefully than heretofore. When the necessary changes take place, everyone regardless of class or income will be affected.

A. G. Elam

Gradually but surely the props and supports, which have been so generously and needlessly used in the recent past, are being removed. A new kind of economic foundation is being constructed — a kind with which most of the younger generation is not familiar. The word "work" will again be recognized as important and significant.

If the people will come down out of the clouds and apply some good old-fashioned principles, practiced by our forefathers, we have nothing to fear. If, on the other hand, we continue our extravagant habits in government, in business, and in our homes, then the anticipated improvement will not come rapidly.

Our government, and too many people, having acquired lavish habits, traveled at a speed comparable with the jet plane. It will be most difficult to brake effectively without skidding dangerously. It will not be easy to give up any part of this glamorized prosperity. We have lived in a world of make believe. We must relearn the meaning of self-reliance and thrift, and thus regain initiative and resourcefulness. We must realize that our way of living has to be reestablished on a firm base that will bring us back to realities. Only when we are delivering 100 cents of service for the dollar received

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Department Stores Face Major Tests: McNair

ment store sales in this coming year should show a somewhat more favorable relationship to total retail sales, though there is considerable likelihood that the trend of department store sales in relation to general merchandise sales and to the broad category of non-durable goods sales will not be improved.

Predictions for Spring Season

Taking all these factors into consideration, I am guessing that the spring season of 1954 will yield department store sales approximately 2% to 3% lower than the sales for the same period of 1953. At the same time, in all probability the percentage of gross margin will be very slightly reduced as a result of some increase in markdowns. Since markets may offer opportunities for advantageous buys, I expect that initial markon perhaps can be improved slightly, but presumably not enough to offset the rise in markdowns. The expense rate seems almost sure to advance, both because of the expected small decrease in sales volume and because of the fact that there may continue to be some scattered wage increases. On the whole, however, I should expect that both the decrease in gross margin and the increase in total expense would be relatively small and hence that the impairment of profits, though noticeable, would not be too severe.

In the light of this appraisal of the outlook for 1954, what should be the policies for department store management in this period?

First of all, I think department store management should regard the 1954 business situation as essentially a normal readjustment. My advice would be to clean up any bad situations which exist, such as excess inventory in particular departments, but not to try to play it safe. Especially I believe that long-range plans should be carried out, not postponed. If these plans are based on a sound appraisal of future business possibilities, the 1954 prospect is not a good reason for deferring them.

Also, as I have so often said from this platform in the past, department store management needs to be more concerned with doing a good job in its individual stores and with the competitive position of department stores generally and less concerned about short-term trends and readjustments in the business situation.

Finally, I believe that department store management should take seriously the responsibilities which have been outlined here tonight for making retail distribution contribute effectively to the forward progress of our dynamic economy. Let's follow up the program set forth here tonight and keep in mind the key importance of a better retailing job in holding the economy on an even keel. Business in 1954 will be essentially what we make it. Only business itself can turn a normal readjustment into a depression. And so again for 1954 the word is SELL.

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Defense Expenditure and The Problem of Deflation

Add $2 to $3 billion to cover the reduction of Federal purchases and it follows that the other main forms of spending would have to rise by $17-18 billion to provide adequate effective demand for full employment output as defined.

Consider next these alternative forms of spending. Gross private domestic investment in 1953 was the same percentage of gross product as it was in 1952 and a little below 1951. We do not know, of course, whether the current rate is "high" or "low" relative to product over the long period. If we calculate the average annual rate of increase in investment since 1948, at constant prices, it should increase by $1.5 billion in 1954 at 1953 prices. However, this projection conceals marked annual fluctuations. A somewhat more refined estimate can be made by going to the components of investment. Postwar, producers' expenditures on plant and equipment have run annually at about 11% of gross product, with marked stability. If product were $384 billion, this type of investment would be $42.2 billion. Business inventories are much more volatile. One method for obtaining a "normal" value for inventories is to relate their annual changes, in constant prices, to annual changes in gross product for certain "normal years" — 1941, 1947-48, and 1951-53. On this basis, inventories rose on the average about $315 million for each $1 billion increase of product, at constant 1952 prices. With an increase of product of $15 billion in 1954, inventories would rise about $5 billion. If, further, residential nonfarm construction, which unfortunately has a cycle of its own, were to hold at $11.5 billion rate of 1953, then gross investment would rise about $2.2 billion in 1954. By comparison, the simple projection from 1948 yields a figure of $1.5 billion.

Turn next to personal consumption expenditures. The third quarter rate for 1953 was about $231 billion, or 62.6% of estimated gross product. Compared to disposable personal income, consumption was 93.1%, and personal savings 6.9%. As a percentage of disposable income, personal savings are slightly below 1951 and 1952, but a little above the other years from 1948. On the basis of the average annual rate of increase in consumption between 1948 and 1953, at constant prices, there would be an increase of $6.9 billions in 1954 at 1953 prices.

There remains state and local government expenditure on goods and services. In 1953 these purchases had an annual rate of $25.2 billions in the third quarter, or 6.8% of gross product. This percentage lies close to those for all years from 1948. On the basis of the average annual rate of increase in this spending, at constant prices, between 1948 and 1953, the increase in 1954 would be about $1.4 billion at 1953 prices.

If—and it is a large "if"—recent tendencies in these three forms of spending were to continue in 1954, then as measured the increase would be between $9.8 and $10.5 billion. This increase falls short of the desired $17-18 billion by between $7.5 and $8.2 billion.

However, there is an additional compensating factor to consider, the tax reductions already legislated for 1954.

I shall begin with those tax cuts that would primarily affect private investment. There are two. The Federal excess profits tax expires at the end of 1953. On a 1952 basis, the Joint Committee on the Economic Report estimated a tax saving of $2.5 billion. In addition there is a scheduled decline of five percentage points in the Federal normal corporate income tax after March 31, 1954, which would cut the overall corporate income tax to 47%, as against the present 52%. On 1952 data, the Joint Committee estimated a tax saving here of $2.0 billion. Adjusting for its delayed impact in 1954, the saving would be $1.3 billion at 1952 levels of income.

The other tax reductions primarily affect personal consumption. Again there are two. At the end of 1953, the Federal individual income tax will fall about 10%. At 1952 values, the Committee calculated the saving at $3.0 billion. Moreover, the emergency increases in certain Federal excises will lapse after March 31, 1954. On a 1952 basis, the Committee estimated their value at $1.0 billion. Adjusted for delayed impact in 1954, the figure becomes $750 million.

If these tax savings are fully spent in some way, their total value on the 1952 basis would be about $7.5 billion. If the desired increase in gross product for 1954 were realized, their value might become perhaps $8.0 billion, given a higher level of income in 1954 relative to 1952. However, the Federal old-age security tax is scheduled to rise by one-third on Jan. 1, 1954, an increase of at least $1.0 billion. There is some reason to expect that this increase will be postponed by the new Congress, but against this there is the further possibility that the reductions in the corporate income tax and in the Federal ex-

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GLORIA CARIAS OVIEDO teaches the fifth grade in the Esteban Guardiola School in La Lima, Honduras. In addition to schools, United Fruit has built hospitals, lighting systems and other public works.

Meet a few of your good neighbors

The turn of the year seems a very good time to have you meet a few of your good neighbors in the countries of Middle America.

Here is a representative group of the many thousands who have found personal fulfilment in United Fruit's varied activities . . . its radio communication system . . . railroads . . . schools . . . palm oil plants that furnish cooking oils for the region . . . banana cultivation and crop diversification projects . . . parks . . . utilities.

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We are proud of their ability and of the valuable contributions they are making to the economic development of their Countries in the Caribbean region.

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The good lands of Middle America produce in abundance. The free markets of North America purchase in abundance. Each helps the other. United Fruit has been serving the Americas usefully for over fifty years—employing and developing human skills, cultivating the soil, transporting and selling crops, and expediting communications.

REINALDO JARMILLO, an overseer of diverse crops. Researcher Jarmillo takes part in UF's long-range program for a varied, balanced economy in Middle America.

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can we hope to have the goods we purchased for a dollar worth the full 100 cents.

The new Administration has made an honest effort to return to the good old American way of life, but it inherited a real "mess," and it is going to take longer to clean it up than we thought.

More rapid progress will be made if the second session of the 83rd Congress will give President Eisenhower the support he deserves. If Congressmen will quit playing petty politics and give "Ike" credit for stopping the slaughter of our boys in Korea, and many other accomplishments, then they will think twice before opposing his program. In carrying out this program it will be necessary for all of us to tighten our belts, and we should welcome that opportunity.

I hope and believe this Administration will substantially reduce its expenditures. Our prodigal government has set the pace, regardless of the economic consequences, for spending more than its income. It was only natural that the individual followed the same pattern, and his debts have soared to astronomical heights.

I predict banking will not be as active and profitable in 1954 because everyone knows the present prosperity has been a war prosperity—highly inflated and dangerous. If War and Prosperity are synonymous then let us pray and work for less prosperity and more Peace.

H. L. ENMAN

President, The Bank of Nova Scotia, Toronto, Can.

The year just closed was the eighth successive year of growth and prosperity in the great period of Canadian expansion which began at the end of the war. Canada's population, which is now 15 million, has been increasing at rates not paralleled since the early years of the century. The current annual rate of increase, of about 2½%, is one of the highest in the world, considerably higher than in the United States and much the same as in Australia.


H. L. Enman

The other outstanding aspect of Canadian growth has been the huge program of capital expansion and development. In 1953, capital investment expenditures were approximately \$5.6 billion which, though perhaps not a big figure by American standards, was equivalent to no less than 23% of the value of Canada's national production. For six successive years the ratio of investment to national output has been in excess of 20%. And the central feature of this large investment program has been the widespread resource development including oil and oil pipelines, electric power, aluminum, iron ore, base metals, uranium, and forest products.

There is a real momentum to Canada's economic growth. Rising population itself provides a strong underlying stimulus to economic expansion. The notable growth in production of such basic fuels as oil and natural gas and hydro electric power as well as the rising output of many important industrial materials is laying the basis for further industrial development. Given peace, Canada can look forward to a much bigger population and to a further great development of resources and industry.

At the same time, there are some questions which arise concerning the outlook. The first is that most of the basic products of Canada's export industries are less scarce, and in the case of grains more plentiful, than they have been at any time in the postwar period. Prices of many Canadian basic products are below their earlier peaks and though Canadian primary exports are still in reasonably good demand they are selling in markets which are much more competitive.

Another question concerning the outlook—which is paralleled in the United States—arises out of the fact that the community is better supplied with automobiles and household appliances than ever before and that industry has for some years been engaged in a major program of expansion and re-equipment. Though the economy is growing quite rapidly and real income has been rising, the possibility of some temporary reduction in such demands cannot easily be dismissed.

The other big question about the outlook which concerns Canadians relates to the United States—to the state of U. S. business and to U. S. commercial policies. Will the recent slackening in U. S. economic activity continue or will U. S. business level out? I would not express a definite view on this very large and important question. But the answer to it is of great significance in assessing the near-term prospect for Canada. If U. S. business is fairly well maintained, conditions in Canada will certainly remain active. But if there should be a considerable readjustment in the United States, it would be bound to have an effect on this country. The Canadian economy today is more sensitive to U. S. developments than it was in 1949 when the mild U. S. recession was not reflected in Canada.

I should add that Canadians are concerned about the current efforts of various groups in the United States to raise new protective barriers against imported goods and generally about U. S. commercial policies. New restrictions are proposed against such important Canadian products as lead and zinc and frozen fish fillets and the Canadian Government, regarding co-operative restriction as a lesser evil than unilateral restriction by the United States, has agreed at the request of the U. S. Administration to limit Canadian exports of oats to the United States during the coming nine months.

It is perhaps not widely realized in your country that Canada is by far the largest customer of the United States and that at the present time the United States is running a surplus in her current transactions with Canada well in excess of \$1,000 millions per annum. It is true that part of your surplus with Canada is being financed by a considerable export of American capital to Canada and part by a substantial surplus in Canada's transactions with overseas countries. Nevertheless, Canada's ability to maintain a high level of purchases from the United States depends in large measure on her ability to sell to your country and the nature and rate of her development is closely related to the accessibility of the U. S. market. Canada's capacity to buy from the United States also depends on the ability of other countries to buy from Canada and the capacity of these other countries to buy from Canada depends to an important degree on their obtaining better access to the U. S. market. So, we in Canada look forward with keen interest to the Report of the Randall Commission and earnestly hope that the United States will continue to lead the free world toward freer trading relations.

ROLAND A. ERICKSON

President, Guaranty Bank & Trust Co., Worcester, Mass.

The outlook for banking in any year is dependent on a projection of business activity and a forecast of national monetary policy. This relationship was brought into sharp focus in 1953. Under the impetus of the "Eisenhower boomlet," industrial activity in the year just past reached an all-time high annual average of 235 (F.R.B. Index). Coincident with the very peak of production, occurred a decline in commercial deposit levels. For the first time in more than 20 years, the American economy experienced a tight money market induced both by a huge demand for funds as well as an apparent decision by both the Federal Reserve System and the United States Treasury that a cheap money policy could not be continued without flirting with a new dangerous inflationary cycle. The level of activity assured a strong demand for loans, the monetary policy tended to decrease available dollars for investment but it increased money rates so that the combination resulted in a good business year for the banking industry.


Roland A. Erickson

Generally speaking, most economists expect a downward adjustment in overall business levels in 1954 ranging from 7% to 15%. This would still permit a business volume equal to 1950 and in excess of 1948 which has heretofore been considered the ultimate in peacetime prosperity. The relative optimism for 1954 is primarily based on the expected continuation of a heavy defense program, a projected spending by industry of \$24 billion on new plant and equipment, a sizable public works program at the state and local level, the relative absence of speculative excesses that are normally generated in prolonged prosperity periods, and the relatively sound condition of Mrs. Consumer's ability to buy. The sound money policy of the Administration, too, has done much to prevent a recurrence of a spiraling inflation that would have been disastrous to all of us.

In the field of banking a decline of 7% to 15% on the Federal Reserve Board Index will be a cause of some concern because of its effect on marginal industrial and commercial firms. From a credit standpoint, bankers will find it imperative to reanalyze breakeven points of their borrowing customers and to evaluate the relative ability of managements to operate profitably under declining market conditions. The area of marginal credits will require more attention than ever before unless the bank has been foresighted and realized that this condition would some day be inevitable.

The other factor influencing banking is that of national monetary policy. It would seem that the very substantial refunding problem facing the Administration, the projected operating deficit, and concern about a business adjustment, will more or less guarantee stable to easier money rates.

The impact of these forces, will probably mean that deposits will be maintained, interest rates steady to slightly lower, and bank net earnings about the same as in 1953.

Some people are disturbed about any adjustment based on a fear of a chain reaction once a change of trend occurs. To the extent that psychological forces are a business determinant, such possibilities must always be considered. On the other hand, to borrow an every day simile, when we drive our cars on today's modern turnpike, the fact that we sometimes slow down from 70 miles an hour to 55 miles does not mean that we are delaying our arrival. To the contrary, it might insure reaching our destination in a little "healthier" condition. Whether it is a man-made machine or the intricate complexities of the economy of a nation, there are times when a wide open throttle causes permanent injury.

BENJAMIN F. FAIRLESS

Chairman of the Board, United States Steel Corporation

U. S. Steel Corporation is backing its confidence in this country's economic future by an investment of approximately \$300,000,000 during 1954 in new equipment and replacement of its production facilities. We are undertaking this expenditure because we believe that the corporation can best serve the long-term interests of its customers, employees, stockholders and the defense interests of the nation by maintaining its producing equipment at a high efficiency level. This includes also the continuous search for and development of raw materials to replace those consumed and to insure adequate reserves for any emergency that might arise. Such policy is, moreover, the only one that conforms to the nation's long history of ever-rising living standards, which in turn is the proof of the superiority of the American competitive system over socialism.


Benjamin F. Fairless

The growth of America's steel industry, particularly since the end of World War II, has provided us with our greatest basic strength in history. During 1953 U. S. Steel, alone established an all-time production record of 35,700,000 ingot tons of steel which was accomplished by operating at the average annual rate of 98% of capacity.

Production records set by U. S. Steel and the rest of the industry were aided by many factors during the past 12 months. There has been substantial freedom from major work stoppages. Price and wage controls were eliminated and the distribution of products, for the most part, returned to the normal channels of free enterprise. The cost of living levelled in its hazardous climb.

Yet these developments, I must point out, do not in themselves guarantee this country a flourishing economy for 1954. The heavy demand for steel during 1953 stemmed, in part, from a backlog of demands left in the disastrous wake of the steel strike of 1952, when some 18,000,000 tons of steel were lost to the economy. In addition, defense requirements continued at a high rate, requiring additional millions of tons of steel that might have brought our civilian requirements into more realistic proportions for the year.

Today steel for defense has been significantly cut back. Inventory adjustments are having their effect on current steel shipments.

Readjustment is going to mean tougher competition. But after many years of the government telling steelmakers what to make, how much to charge for it and where to ship it, I welcome—and I am sure most businessmen do—the return of competition and business practices associated with free enterprise.

The decline in steel requirements for defense indicates not only a readjustment for steel producers, but it means —and perhaps to a more serious degree—a challenge to those who have been using steel in defense production and who must now intensify sales to existing civilian markets and develop new ones. It is a problem for steel producers and such customers to solve if an increased civilian market is to fill the gap created by declining defense purchases. The success of this joint undertaking will have an important bearing upon the rate of steel production during 1954.

The operating rate of the steel industry is one of the measures which economists and business experts watch in appraising the economic future. However, the current slackening in the industry's operating rate may easily be misinterpreted.

In recent years, with a few exceptions, due mostly to work stoppages, the steel industry has been operating at near-capacity levels. But it must be stressed that steel plants never were intended or designed to run at 100% of theoretical capacity. Historically, the steel industry—like most industries—has had a substantial reserve of capacity for use in times of temporary peak demand or national emergency. At such times it is able to run at 100% only by resorting to the uneconomic use of marginal facilities, materials and manpower.

For this reason, a decline in the high operating rate —U. S. Steel averaged 98% in 1953—does not indicate that hard times are ahead for the industry and those who buy its products. Although the rate of production has declined, I feel that economic conditions throughout the first half of 1954 will be generally favorable.

As a result of additions to and replacements of facilities in recent years, U. S. Steel is well prepared to meet increased competition in the new year.

The most impressive of construction accomplishments for 1953 came when the last of the major facilities of the new Fairless Works at Morrisville, Pa., were set into operation during the late fall. Designed to serve customers in Eastern states, the new mill is producing slabs, sheets, bars, billets, tinplate and continuous weld pipe.

The Corporation's iron ore mine development at Cerro Bolivar, Venezuela also neared completion during the year and the first ore shipment is scheduled to leave for the United States early in January. Shipments of iron ore from Venezuela during 1954 are expected to reach substantial tonnages.

A milestone of many years of research was reached in June when the first carload of taconite concentrates was shipped from the Oliver Iron Mining Division's Mountain Iron plant in Minnesota for commercial mill use.

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Defense Spending and Problem of Deflation

cises will also be deferred. In view of these imponderables, it seems safest to put the value of the tax cuts at about $7.0 billion.

Putting together the $7.0 billion for tax savings and the $9.8-10.5 billion projected "normal" increase in investment, consumption, and state and local government spending, we obtain a total "compensating" figure of $16.8-17.5 billion, to set off against the required increase of $17-18 billion in these spending components if full employment as defined is to be maintained. The margin is obviously close, so close that even renewed price-wage inflation ought not be eliminated as a possibility. However, any estimates of the kind presented here should not be taken too literally. There are some major unknowns. We do not know the extent to which private investment in recent years may have been *induced* by rapidly increasing Federal purchases, as against the possibility that the rise in government purchases may have *displaced* some private investment. Private investment is a notoriously unstable type of spending in any case. Nor do we know to what extent the tax savings will be offset by further increases in investment and consumption. Finally, we do not know, given budgetary uncertainties, what the actual cuts in Federal purchases will actually work out to be in 1954. Accordingly, I find myself in Lord Melbourne's state of mind.

I turn now to a brief review of some favorable and some unfavorable factors to be considered in assessing the outlook for 1954. Among the favorable ones are the long-term growth requirements of our economy. Admittedly requirements or "needs" are by no means the same thing as *effective demand* for investment goods. Nonetheless, these requirements offer rather convincing evidence that our economy is well short of having been fully built up, if such a concept has any meaning. Instead they suggest that there are large and continuing outlets for investment, if a bearish hoarding psychology can be avoided.

One such outlet is residential construction, stimulated by the rise in rates of population growth and of family formation, and in number of children per family after 1940. Another outlet is public and private construction of highways, hospitals, schools, and other civic facilities, pushed by urban growth and decentralization in recent years. Last there is the upward secular trend of private investment since 1889, which suggests a long-run connection between investment and gross product. It is true that the trend was broken between 1930 and 1946. Undoubtedly, one's interpretation of that break will influence the degree of faith he will assign to the trend as such. Since I am not convinced that the growth potential of the enterprise system is coming to an early end, I am inclined to give the trend a good deal of weight. Neglecting the real possibility of adverse short-period movements, I would expect private investment to be a strong upward force for the next several years, fortified as it now is by heavy expenditures upon industrial research.

A second favorable factor is the more immediate one involving the return to an easy money policy in the Spring of 1953. Between May and September, the Federal Reserve resumed open market purchases of government bonds, bringing these holdings to an all-time high, and helping to lower the rate of interest slightly. Also, early in July member bank reserve requirements were reduced about $1.1 billion. In consequence of these moves, excess reserves of the member banks rose from a low of $102 million in June to $634 million in October. The October level compares well with October values for 1951 and 1952.

The attempt of the new Administration at the beginning of the year to cut down the rate of increase in money supply—wrongly labeled as a "hard money" or deflationary policy — was probably unfortunately timed, or at least it was pushed a little too rapidly. However, the error is forgivable in the light of past errors since the Korean War began, and there is much merit to the conversion of the heavy short-term government debt to long-term issues, so long as it can be done without market deflationary effects. In any case, the recent relaxing of monetary policy is a permissive, rather than positive influence upon effective demand. It means an easing of capital markets and of commercial and consumer credit, which encourage borrowing for private investment, for consumption, and for state and local expenditures.

I turn now to the unfavorable factors that are usually cited. I would place foremost the instability of private investment, as recorded in past time. I do not believe we have abolished fluctuations in investment. As Spitehoff, Schumpeter, and Hansen have shown, temporary saturations are possible, whether from *pro tem* exhaustion of the reserve of potential innovations or from catching up with important categories of consumer demand. If a bad conjuncture should occur in which phenomena of this transient kind were linked to a declining rate of security spending, the result would be a sharp fall of private investment, with the familiar deflationary repercussions upon income. We should allow for the possibility, and be prepared to resort to strong discretionary actions if it happens. However, if we wish to avoid large errors in policy, we should not confuse events of this kind with the much more conjectural case of chronic investment deficiency, which is predicated upon some version of secular stagnation.

A second, potentially unfavorable influence is the possibility of sudden large cuts in outlays for security. For the long run, a sharp reduction of defense spending would be anything but an economic disaster. However, its impact would have adverse shock-effects. In recent public statements, Secretary Wilson has shown awareness of this, emphasizing the slow rate of projected decline. Nonetheless, surprises are possible. Advances in the technology of defense, particularly in weapons, might lead to considerable labor and capital saving, with effects showing up in the next fiscal year. Moreover, there is always the possibility, nebulous as it now is, of a genuine world settlement, which could make for a reduction of at least $10 billion in short order. I have no hope of such a settlement, but it is an erratic element to be kept in mind.

Some concern has been expressed concerning inventories and consumer debt. In the third quarter of 1953, inventories were increasing at an annual rate of $4.5 billion, as against $8.8 billion in the second. The latter figure gave evidence of real trouble. However, the third quarter rate does not appear out of line if the increase in real gross product in 1953 over 1952 is taken into account.

As of September, 1953, outstanding short and intermediate term consumer debt stood at $27.9 billion. This was 9.8% of estimated disposable personal income in 1953, which compares with 10.3% in 1939. At the current level of income, the volume of consumer debt does not seem excessive. However, the annual rate of increase in 1953 (to September), was $4.4 billion, as against a yearly average increase of $2.9 billion for 1945-52. If the high 1953 rate of increase were to slacken, this alone would have a small deflationary effect. If income were actually to fall in 1954, the overhang of this debt would have larger deflationary impacts.

Among the remaining unfavorable elements, there is the possibility that the automobile and home equipment markets may be facing temporary saturation. If so, it could affect investment in these important fields, though the overall impact would depend upon whether consumption and investment were shifted to other directions, rather than diverted to hoarding and consequent falling income and output. There is also the possibility that the present Federal economy wave might spread to state and local government, possibly cutting down expenditures at these levels at a time when their increase is desirable.

In making an appraisal of the economic prospects for 1954, I wish to avoid an explicit chronological prediction. As I have estimated it, the balance between prospective effective demand and the value of full employment output is almost exact, if everything worked out perfectly. However, there are at least three principal uncertainties which could make any prediction look exceedingly foolish: the behavior of private investment, the impact of foreign affairs upon defense requirements, and plans for fiscal 1954-55. My chief conclusion is that the possibility of some deflation is now stronger than at any time since

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Continued from page 56

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In the field of labor-management relations, David J. McDonald, President of the United Steelworkers of America, and I started a series of plant visits last November to study our problems at the plant level. As a result of our trips to plants in the Cleveland, Pittsburgh and Chicago areas, we have high hopes that these visits will provide us with a better understanding on both sides and a means of finding greater labor-management harmony at the plant level.

DeCOURSEY FALES

President, The Bank for Savings, New York City

DeCoursey Fales

There seems little reason to question the forecast of the experts which predicts a decline of about 5% in the business of the country for 1954. Savings in the metropolitan area should prove to be only slightly less in 1954. There should be ample funds to finance any new construction throughout the country since the number of new starts will probably decrease slightly in 1954. Interest rates on mortgages and bonds will probably decline somewhat but interest dividends paid by savings institutions should remain steady at present levels. With the foreign situation remaining unchanged, 1954, while not a boom year, should be a solid year of progress for the country.

BERNARD E. FINUCANE

President, Security Trust Co. of Rochester, N. Y.

An economic expansion which has continued for eight years with only one minor interruption can be suspected of having an end. Once again, the question arises whether the present economic balance can be maintained at the existing high level of production and employment or whether that balance is a precarious one from which a sharp decline is inevitable.

Bernard E. Finucane

This is no time for undue pessimism. It behooves us all to remember that few of us were willing or able to forecast the high level of business activity experienced in 1953.

There have been some indications in recent months of a leveling off in business activity, and there are those who consider this a prelude to recession in 1954. Estimates of future expenditures by government, business and consumers suggest that a recession is not inevitable.

Recent reports indicate that 1954 estimates of capital expenditures for all industries are in the general area of only about 10% below actual expenditures. If these plans materialize, a serious depression should not be expected, and further encouragement can be obtained from indications that business concerns individually see opportunities for continued expansion.

These plans also appear to influence the future of consumer expenditures. The most serious general threat to the consumer debt structure would be the occurrence of a large amount of unemployment. Business plans for continued capital expenditures do not indicate any serious concern with the problem of maintaining employment.

The future course of business will be determined more by what business men and consumers do than by what government does, and their actions are frequently governed by psychological factors.

The recent emphatic statements on the part of the national government that it will throw every economic resource of the government into the balance to keep the economy moving at a high level cannot fail to be a plus factor.

In general, even those who predict recession seem generally agreed that it will be mild if it occurs and that there are factors which will cushion the fall. There certainly seems to be no cause for panic, and the possibility of a mild curtailment in economic activity should cause no fear. Such an event should be considered an opportunity to bring a sound economy into balance.

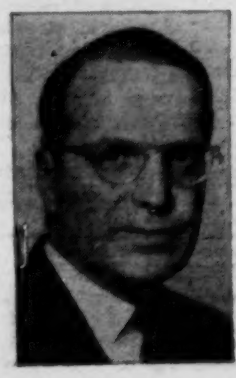
The year ahead will be one of adjustment to healthy conditions of greater competition, requiring closer examination of our activities to determine where expenses can be cut and methods and products improved. It offers the prospect of a somewhat slackened, but continued large, demand for bank credit, and I am confident that commercial banks, in general, will continue to demonstrate a willingness and ability to meet the requirements of the economy.

A psychology of fear not based on fact could change this outlook.

EDMUND FITZGERALD

President, The Northwestern Mutual Life Insurance Co., Milwaukee, Wis.

The year 1954 looks like a period of normal growth and development, which in the life insurance business since the war means record highs in assets, insurance in force, in benefit payments to policyholders and beneficiaries, and perhaps in sales. Generally favorable conditions exist in most areas which affect our operations.



Edmund Fitzgerald

Northwestern Mutual sales in 1953 set an all-time record for the second year in a row, and indications are that 1954 is starting out at an equal or even higher rate. During the years since the war Americans generally have increased their physical standards of living through the purchase of labor-saving appliances, automobiles, television sets, and other components of personal prosperity. There is evidence now of an increasing desire to protect the new standard of living by increasing personal security through life insurance and other forms of saving.

On the investment side, opportunities continue to be plentiful in the fields in which we are interested. While interest rates at this time are a little below the high points of 1953, the Northwestern Mutual Life has sufficient forward commitments to assure a satisfactory program of new investments throughout 1954. These investment funds will go into the expansion of basic segments of the American economy—transportation, paper, natural gas, mining, electricity, oil, pipe lines, various types of manufacturing, municipal and other services essential to health or education, and into homes and retail businesses. Our investment portfolios have been remarkably free of trouble cases in the last few years, and we see no indication that 1954 will bring any drastic change in this pleasant situation.

SAM M. FLEMING

President, Third National Bank, Nashville, Tenn.

The year 1953 will undoubtedly go into the record books as the greatest year of economic achievement in the history of our country. From the previous record totals of 1952, our gross national product and personal income both increased 5%, total construction 6% and overall employment 1%. American industry proved that it could produce sufficient goods and materials to support the Korean war effort and at the same time maintain an exceptionally high civilian standard of living. The Federal Reserve Index of industrial activity declined some 6% after the shooting war came to an end, but contrary to the predictions of many economists and businessmen, business volume held up remarkably well and did not deteriorate as much as had been expected.

S. M. Fleming

It is widely predicted that business volume in 1954 will be reduced by 5 to 10% from 1953 totals or be about equal to 1952, which, of course was a good year. There is no question but that the economy is now experiencing a gradual readjustment and that competition is becoming keener in practically all lines. The period of shortages is definitely over, and the emphasis is now on efficient merchandising and sales ability. As profit margins become smaller, it will be all important that expenses of doing business be adjusted downward. Companies with obsolete equipment, inadequate working capital or inefficient management will have an increasingly difficult time surviving the competitive years that lie ahead. High taxes have made it very difficult for many small concerns to accumulate sufficient working capital to finance expanded sales volume, and they are entitled to and should receive definite tax relief.

Small business, which has been such an important factor in the development of our country, faces a problem of the first magnitude in meeting the competition of well financed concerns with nationally advertised products, unless allowed to retain a larger portion of earnings to supply needed capital. It is all important that Congress, in writing a new tax bill, recognize this need.

The year 1954 will undoubtedly witness the continuation of a readjustment period but with overall business conditions on a satisfactory basis. From a long range viewpoint, the demands of an increasing population, together with large defense and public works expenditures, should assure a sound economy for our country.

ANDREW FLETCHER

President, St. Joseph Lead Co.

In retrospect, the domestic lead and zinc mining industry did not fare well in 1953 despite the high rate of industrial activity which prevailed throughout the year. The strange paradox of good markets, but low prices resulted from a continuation of Government foreign trade policy which permitted surplus stocks of lead and zinc from abroad to supplant a large portion of the domestic producers' normal market. Efforts on the part of the industry to change these policies were unavailing but at the year-end, there was pending before the Tariff Commission an appeal under the Escape Clause of the Reciprocal Trade Agreements Act which would help in providing the tariff protection the industry sorely needs. Tariff protection is necessary because the cost of producing lead and zinc in domestic mines is higher than in foreign properties, and because the defense of our country requires a local production of these raw materials.

Andrew Fletcher

If tariff relief is forthcoming, the lead and zinc industries may look forward to a more promising new year. The consumption of both metals varies directly with industrial activity and, according to most forecasts, this should level off at a rate between 10% and 15% below 1953's peak activity. Such a rate would mean lead consumption of about 1,100,000 tons and zinc close to 900,000 tons, both of which would be considered satisfactory by any normal standard. There is nothing on the horizon which should materially affect the pattern of use of both metals. If anything, the present low prices of lead and zinc, 73% and 71% respectively of the commodity price index, put them in an excellent position with competing commodities to maintain existing outlets, and in certain applications such as zinc for die casting, permit an expansion in use.

Supplies of both metals should be adequate in 1954. While imports recently have declined from last year's rate owing to liquidation of surplus stocks and improved buying abroad, domestic production, particularly if given the protection that is needed, should again assume its rightful position as the major supplier of U. S. requirements of both metals.

CLYDE T. FOSTER

President, The Standard Oil Co. (Ohio)

The petroleum industry, during the past several years, has provided excess operating capacity as a national defense measure upon the recommendation of the government. In addition to this expansion there has been the normal expansion to meet the increases in current demand. During 1953, $4 billion were spent on domestic facilities or about one-half billion more than in 1952. A substantial portion of this investment went into the drilling of 47,000 wells, 3,000 more than the number drilled in 1952. The industry constructed 8,700 miles of pipe line to move crude oil to refining centers and distribute the finished products to consumers. Refineries, at year-end, were capable of processing 8,100,000 barrels of crude oil each day which was an increase of 450,000 barrels per day over 1952.

Clyde T. Foster

The petroleum industry's operations during 1953 were typified by over-supply in most phases of its operations despite the continuing increase in the consumption of petroleum products. Domestic demand increased about 350,000 barrels per day, or 5% over 1952. The industry utilized about the same portion of its expanded refining capacity as in the preceding year to meet this increased requirement but an increasing portion of the refinery output represented additions to inventories. This condition, resulting from excess capacity, will mean ever more vigorous competition in 1954. The consumer will be able to obtain at current or possibly somewhat lower price levels, the highest quality products ever sold as marketers bid for their business.

Increased consumption of motor gasoline last year was the principal factor contributing to the higher domestic demand. There were 55 million motor vehicles in operation at year-end, an increase of 1.5 million during the year. The demand for aviation fuels also was substantially higher than the year earlier rate. Warmer than normal weather in the two winter quarters and increased efficiency of the consuming units held the demand for light fuel oils for heating and diesel power to a relatively small gain of only 2% even though the number of homes heated by oil increased 10% and the number of diesel railroad units out-numbered steam locomotives in use by nearly two to one.

It is estimated that domestic demand for petroleum products will increase about 4% in 1954. This will mean continued investment in plant to meet this increased demand if the excess operating capacity is to be maintained. It will be necessary to continue drilling wells in order to maintain or increase crude reserves and plans of the Office of Defense Mobilization call for a further increase of 400,000 barrels per day in refining capacity as well as continued expansion of pipe line facilities at about the 1953 rate. In 1954, therefore, it

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Defense Spending and Problem of Deflation

the end of 1948, but that we should not be too surprised if instead there were a renewal of inflationary pressure. What is required is that the discretionary elements of fiscal and monetary policies should be mutually consistent, flexible, and reversible, so that any pronounced swings can be offset promptly as possible. For this purpose, these policies should be guided by clear-cut rules. I shall return to this point subsequently.

If deflation should develop, what role would the automatic stabilizers play? These stabilizers involve those taxes and transfers, at all levels of government, which are "income-sensitive." When national income declines, the intake of these taxes falls, while the outgo of these transfers rises. The deficits so generated function as an offset to saving, and as a means for checking a shrinkage in the supply of money. The table below indicates the values for the stabilizers, expressed as percentages of any given change in the national income. The Federal taxes in the group were calculated at their expected 1954 rates.

Estimated values of the automatic stabilizers expressed as percentages of change in national income:

Stabilizer—	% Change in National Income
Federal corporate income tax	10
Federal individual income tax	13-15
State and local income taxes	1
Federal, state and local sales and gross receipts taxes	2- 3
Social security contributions	2- 3
Unemployment compensation	8-12
Agricultural support price payments, veterans' benefits, public assistance	5-10

As calculated, the stabilizers run between 40 and 50% of a change of national income, in either direction. This means that if deflation were to lower national income by, say, $10 billion, and if public expenditures other than transfers were not cut while the transfer here were to rise as estimated, then deficits would be generated of $4-5 billion. These deficits would serve as a new offset to saving, which would compensate for a fall of $4-5 billion in private investment and yet check the fall of national income at $10 billion instead of considerably more. Furthermore, if the deficit were financed through the banking system, it would help offset a decline of money supply, and in fact might actually increase the public's stock of cash. This would help against hoarding tendencies and might possibly help turn consumption and investment upwards again. However, the main effect of the stabilizers is to reduce the scale of fluctuations in income and output, and not to eliminate them entirely. They afford no guarantee against a deep depression, if investment should fall drastically.

So much for the economic prospects in 1954. Deflation is a possibility. What approach should be taken if it becomes a fact? Admittedly the answer rests upon one's judgments of value concerning the norms for fiscal-monetary action. I offer mine with full awareness that reasonable differences of opinion can exist concerning them.

There is probably little disagreement over the principle that it is the task of fiscal and monetary policies to stabilize as far as possible the rate of economic growth over the long run, rather than some given level of income and employment as such. This means that we should not lose sight of our primary common interest in a permanently expanding economy, merely to cope with short-term fluctuations. What is required for the task is a simple and defensible rule that can serve as a permanent guide to discretionary policy. The rule most likely to unite the popular desire for stability (minimizing swings of deflation and inflation) with the far less obvious popular interest in permanent growth is this: to strive for the lowest rate of unemployment consistent with a reasonably stable wholesale price level over the long run. There is good ground for believing that the rule would mean 3-5% unemployment of the civilian labor force as a permanent norm for policy. If full employment were so defined, there would probably not be any significant problem of price-wage inflation. The rule would call for secular increase of money supply in an expanding economy, but the long-run rate of increase would not pull up effective demand too rapidly.

For the rule to be consistent with permanent growth, economic policy as a whole ought to foster the flexibility and competitiveness of the economy, in place of forestalling adjustments indicated by the market. To me, this means avoidance of direct price-wage controls, excess profits taxes, and price-rigging schemes in general, of which agriculture and the tariff are the most notorious examples. What we require for permanent economic growth is security of competitive opportunities, rather than the fixed security of established status. If our policies promote growth combined with reasonable stability, the economy will yield a generally expanding environment of opportunities, sufficient to ward off pressures for uneconomic control schemes and to relax those now in being. Further, if at times deflation calls for monetary expansion, this can be done without creation or perpetuation of broad privileged groups as the recipients of large-scale transfer payments, where the only justification for the payments is an alleged need "to support the economy." The formation of such privileges tends to corrupt both the beneficiaries and the government donors, while increasing inequalities of income and of economic power.

Finally, there is great merit to the principle that the economy should depend as much as possible upon private spending, because such spending is a major means by which personal freedom is exercised in the economic order, and because of its close connection with economic efficiency. By contrast, government spending is inherently coercive and rests upon a transfer of economic power from the people to political authorities. Most of us would admit that some government spending is desirable, for the promotion of certain common national and international purposes. Disagreement usually centers on the range and scale of these purposes, and here unfortunately there is no strong principle for fixing limits. The proposals to place as much emphasis as possible upon private spending means that proposed increases in government expenditures ought to rest upon a broad basis of public consent and ought to be justifiable on grounds other than sheer pump-priming.

The basic problem for fiscal-monetary policies is not, in my opinion, that of automaticity *versus* discretion, or of rules *versus* authorities. Rather, it is a question of rules *for* authorities. Discretionary action there must be, to cope with at least two main kinds of uncertainties—swings in private investment and erratic changes in foreign affairs that react upon expenditure for national security. If we wish to preserve a tolerably free political and economic order, we shall require authorities who can undertake discretionary actions. However, those actions should be bounded by principles which are most likely to maintain an expanding economy and a free political and economic order. The approach outlined here is necessarily terse and imperfect, but it does take account of what seem to me the essentials.

The specter of deep deflation has been haunting economic thinking ever since 1945, so much so that even the mild recession of 1949 was viewed in some quarters as the beginning of catastrophe. Undoubtedly the fear of deflation has been strongly influenced by the Great Depression, especially by the theory that this depression had its origins in a permanent decline of opportunities for private investment. On acceptance of this theory, it follows that ever-increasing Federal spending is essential to full employment and sustained expansion. By contrast a cut in this spending then becomes the sure road to ruin. No doubt, too, the plea for ever-increasing Federal spending also rests upon a preference for state over private action. Otherwise the route of tax remissions becomes as good a means to the permanent deficits believed necessary to offset the chronic "excess" savings presupposed by the theory.

Fiscal and monetary thinking today must come to grips with the theory itself, and with its applicability to the 'thirties. The theory appeals to certain strategic influences—population growth, filling up of the technological frontier, and so on. Admittedly, these influences could slowly turn adverse over the long-distant future, and we ought to acknowledge the possibility and to take account of it in designing the framework for fiscal and monetary policy. In my view this is perfectly possible. If eventually we find ourselves drifting into stagnation, we could

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appears that the industry will be faced with the problem of large capital outlays while confronted with the increased burden of maintaining idle facilities.

Ohio continues to be a good market for petroleum products. Our sales in 1953 increased at a greater rate than total U. S. demand. The outlook for 1954 is for better than average demand in Ohio with motor fuel up about 4% over the 2.5 billion gallons consumed in 1953, and light fuel oils up 7% on the basis of a normal weather pattern.

WALTER S. FRANKLIN

President, The Pennsylvania Railroad

The estimated results for 1953 are comparable in volume of business and earnings to the preceding year. The patterns of business in 1953 and in 1952 were, however, quite different. Nineteen fifty-two ended on an increasing volume—1953 on a decreasing volume. Nineteen fifty-three will be the third straight year the revenues of the Pennsylvania Railroad have exceeded a billion dollars, but the volume of business in 1952 was reduced by a steel strike during June and July. Net earnings in 1953 are expected to be about the same as in 1952.

Walter S. Franklin

The volume of freight traffic decreased sharply during the last two months of 1953 as compared with the preceding year. Passenger revenues for the year were 9% below the preceding year, reflecting a nationwide decline in rail passenger travel, including military, and the general business decline in the closing months. The deficit from passenger operations, however, was reduced approximately $5 million as compared with 1952.

For the Pennsylvania Railroad, the year marked the rounding out of a very large improvement program which, while not completed, shows gross capital expenditures for roadway, shop and terminal facilities, and in freight and passenger equipment, largely during the last six years, totaling more than $800 million. Of this amount more than $320 million went into the program of dieselization.

Improved efficiency of operations, for which the nearly complete dieselization program is partly responsible, resulted in an improvement in the transportation ratio.

The physical condition of the property is good. Expenditures during 1953 for maintenance of way were approximately $10 million greater than in the proceding year. There was an increase of over 30% in the equipment repaired and reconditioned, compared with 1952.

The outlook for the first quarter of 1954 indicates a level below 1953. We expect the volume to improve as the year progresses.

While the negotiations with the railroad brotherhoods have not been completed — the agreement with the Brotherhood of Railroad Trainmen after only seven days of bargaining between the parties, and without resort to government or other boards, is encouraging. However, the cost of the increases will be a serious addition to expenses which must be offset, particularly in view of the decline in volume.

D. V. FRASER

President, Missouri-Kansas-Texas Railroad Co.

Gross revenue of the Missouri-Kansas-Texas Lines for 1953 will approximate the all-time high of 1952. There will, however, be reduction in net income compared with the previous year. Several factors have contributed to the decrease in net income, among them being a heavier track program necessary because new rail was denied us in 1952 due to the steel strike; increased wage costs of approximately $800,000 due to cost-of-living and productivity awards; retirements of facilities made obsolete because of dieselized operations, and the absence of a half million dollar tax credit such as was received in 1952.

D. V. Fraser

There has been a downward trend in traffic on our railroad during the past five months. This has been due, in large measure, to the severe drought conditions, which is evidenced by a decrease of over 10,000 cars of wheat and other grains, and a slowing down in the movement of other commodities, including livestock and agricultural products.

Aside from the effect of the drought on general business in the Southwest, the balance of the region's economy remains healthy. This is demonstrated by the fact that, notwithstanding the drought, local carloadings on the Katy have shown a far healthier trend than have receipts from connecting railroads, indicative of the benefits received from aggressive industrialization throughout Katy-served territory.

It is heartening to note that most of the Southwest has received considerable moisture recently. Given a good crop year in 1954, and no further deterioration in farm prices, agriculture in the Katy territory should enjoy a comparatively satisfactory year. Winter wheat prospects are the best in several years; grazing conditions have improved; cattle prices have strengthened recently, while prices of most other farm commodities are holding steady.

One retarding factor in the Southwest's economy during the last half of 1953 was the substantial reduction in petroleum output in Texas. This has aroused considerable agitation for restriction in the amount of oil being imported from foreign fields. Should there be a curtailment of imports and concomitant increase in Southwestern production, the volume of petroleum shipments over the Katy rails should gain.

This lower trend of traffic may be expected to continue for several months into the new year, and thus a realistic outlook for 1954, from the viewpoint of traffic volume, must be based on a lower level than that experienced in 1952 and during the first seven months of 1953.

Additionally, the Katy 1954 freight revenue will reflect a full year's impact of the adverse Interstate Commerce Commission decision in the Southwest rate divisions case. This decision, which became effective July 15, 1953, will reduce gross revenues an estimated $1,500,000 below those of 1952.

I am optimistic in regard to the longer term business prospects for the Southwest territory. In my judgment, we can look forward to many years of an increased industrialization of the Southwest. Currently, M-K-T Railroad is cooperating in the development of substantial industrial sites at a number of key points. The new industrial district at Dallas, Texas, promises to be one of the finest in the country. Likewise, the location of chemical and allied industries in Eastern Oklahoma is most promising. The prospects for further industrialization of the Southwest appear as bright for 1954 as they proved to be for the past several years.

The M-K-T's present plans for capital improvements in 1954 contemplate substantially the same outlay as in 1953, exclusive of rolling stock. Since the Katy's motive power is completely dieselized, the greater portion of next year's capital expenditures will be for such items as signaling, new rail, revision of yard and passing tracks to improve train operations, the providing of industrial trackage, and installation of newer and more economical tools.

Some additions to the freight car fleet are contemplated, but placement of orders will depend on business trends early in the new year.

While business, nationally and in the Southwest, currently is undergoing a period of adjustment, and there has been some drop in volume in many lines, I look for stabilization in 1954 which will hold volume at a good level. For the longer view, I believe the present readjustment period will be followed by a new era of expansion and prosperity.

G. KEITH FUNSTON

President, New York Stock Exchange

Industry and business are working with the New York Stock Exchange and with other segments of the securities business to create a nation of share owners and a stronger America. Our ultimate goal is a direct ownership interest in the tools of production for every family in this country — or, put another way, for every American to own a share of American business.

G. Keith Funston

It is our deep conviction that capitalism in the United States cannot flourish—cannot, in fact, even survive—without direct public participation and support. We cherish our political democracy — now, to safeguard our political freedom, we must seek economic democracy.

The most prosperous year in our history has just ended. At the start of 1954 the immediate future is clouded by such factors as declining new and unfilled orders in the hands of manufacturers, a rise in business inventories, a slight increase in unemployment, retail sales a little smaller than they might have been. It is quite possible that the current year may see a number of readjustments—perhaps we may not score a new set of production records in 1954. That is the short-term outlook—and with it go all the qualms which accompany any attempt to gauge the future exactly.

But if we step back a bit and try for a longer perspective, we get a different view and the ruts that look so ominous when they are under our noses seem to level off.

In my opinion the future of industry is still in the toddling stage. A growing population is demanding a bewildering variety of goods and services which didn't exist even a couple of decades ago. The pressure for more and better products must grow indefinitely—and industry is well aware of that pressure because more than $1 billion is spent every year just to figure out new and better ways to satisfy the American public.

Now, how does all this affect the New York Stock Exchange? Or, more to the point, how can the Stock Exchange make the maximum effective contribution to the national welfare? The answer, it seems to me, lies in the honest and efficient discharge of the Exchange's responsibilities to the public and to industry.

Mass production and mass distribution are two modern phenomena on which American prosperity is founded. But to exploit those two concepts for the maximum benefit of the maximum number of people, a third concept must be added—mass investment.

Industry cannot afford to rely on a limited number of people—or on retained earnings, or on debt—for capital to finance future expansion. The money that is needed must come from millions of people, who are not now investors—the investors of the future who will share in the ownership of American industry.

It's no secret that a great many people, including myself, were disturbed at the disclosure in the Brookings Institution census of share owners that only 6,500,000 people had an ownership stake in our corporate wealth at the close of 1951. That figure must be multiplied again and again — if we want capitalism to work at maximum efficiency.

I regard it as a primary job of the Stock Exchange to make economic democracy part of our way of life and not merely a catchy phrase.

In recent years the Exchange, working closely with industry, has conducted an intensive educational campaign to tell people about the importance of the investment process to our economy. We intend to intensify and broaden that effort. This month, as part of our campaign to encourage share ownership, one of the most significant developments in financial history will be made available to the public by the Exchange's member firms: The opportunity to purchase the securities of our great corporations on a pay-as-you-go basis. The Monthly Investment Plan, as it is popularly known, clears the road—for the first time—to mass investment.

The Monthly Investment Plan represents a radical step for the Stock Exchange community—just as radical in its way as General Electric's use of Bing Crosby and Ken Carpenter to discuss the importance of investment before a nationwide radio audience—just as radical as Pennsylvania Railroad, Chrysler, Socony-Vacuum, Monsanto Chemical and Allied Chemical utilizing the street floor windows of member firms of the Exchange to graphically tell to the public their own story and the contribution of investment to their growth.

Simply as a matter of self-preservation, industry must go to the public for a larger share of the funds needed for new plants and equipment. But the investor must be protected, too, whether he is already a share owner or is becoming one for the first time. The Stock Exchange, of course, has its own regulations for the protection of the investor—such safeguards as insistence on sound corporate accounting practices by its listed companies, frequent and full reports to their share owners, and that supervision which has given member firms a record of integrity and fair dealing surpassed by no other business in the country and equalled by few.

The Exchange has a responsibility in other areas in which the interests of the investor are at stake — the responsibility to fight against confiscatory, unfair and crippling Federal tax legislation.

Freedom of capital has been the cornerstone of our business system since this nation was founded. Yet the Capital Gains Tax and double taxation of dividends seem almost to be laws deliberately contrived to impede the freedom of capital and to discourage investment. These are unjust laws. It is our obligation to oppose them—and I am pleased to report that the new Administration in Washington appears to be as aware as we are of their defects. In his State of the Union Message, President Eisenhower said that "we should now revise the more glaring tax inequities, particularly on small tax payers; reduce restraints on the growth of small business, and make other changes that will encourage initiative, enterprise and production."

We have still another responsibility, one that goes to the very roots of our free and enterprising business system: To maintain a marketplace where the securities of the nation's leading corporations can be bought and sold quickly, easily and at the best price possible. The need for such a marketplace is not new. Indeed, it led to the foundation of the New York Stock Exchange 162 years ago. The need to day is greater than it was then and the need tomorrow will be greater still.

We provided such a marketplace in George Washington's days—we shall provide it for the America of tomorrow, the prosperous nation built by mass investment.

ROY FRUEHAUF

President, Fruehauf Trailer Company

Fruehauf Trailer Company, world's largest manufacturer of motor transport trailers, is looking to 1954 with complete optimism and confidence.

Early 1954 will require hard selling to maintain volume and earnings. Competitive conditions of this kind work two ways—our output has to be priced competitively to the customer and purchased components undergo the same stiff approach to cost. In addition, manufacturing efficiencies can be improved to provide the necessary gap between sales prices and costs.

Roy Fruehauf

In anticipation of these conditions, we have devoted more than usual attention to training and strengthening our sales organization and to control procedures, particularly to eliminate waste and excess costs.

Product development has been accelerated. This development has been carefully aimed at providing more pay load and more profitable operations for the truck-trailer operator. In this connection we have always found that when selling becomes more difficult—as we expect it will be in 1954—the Fruehauf sales message becomes more effective. When traffic managers are eager to cut costs, operation of Fruehauf trailers has always been a big answer.

The excess inventory condition responsible for the industry adjustment currently being experienced is expected to be worked off within a short time. Organization flexibility is necessary to meet these changing economic conditions which have not been uncommon during the past decade. Management is capable of making the necessary adjustments quickly, always motivated by the

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Defense Spending and Problem of Deflation

go over to permanent deficits, created mainly by tax reductions and supplemented by increased Federal expenditure having independent justification. However, it would be a dangerous mistake today to interpret the first sign of real deflation as proof that stagnation is upon us.

Moreover, the theory yields a very awkward fit as an explanation of fluctuations in the 'thirties. The strategic forces upon which the theory rests no longer carry the conviction they once did as an explanation of past events. A much less heroic explanation is possible, along lines forcefully developed by Schumpeter. On the "real" side, there was a temporary saturation of investment opportunities at the beginning of the 'thirties. On the monetary side, there was a rapid destruction of money supply, occasioned by an incredibly bad banking system that is still in need of reform, and by a disastrous series of international monetary crises. Brutal liquidation and almost insatiable hoarding were the result. Persistently vigorous counterattacks with the usual monetary weapons were foreclosed by difficulties with the gold reserve. Deep decline followed until mid-1932, a decline intensified by monetary weakness and attendant extreme pessimism. As for the weak recovery of the post-1933 period, there is much strength in Schumpeter's view that its root causes lay in a "hangover" of pessimism from past shocks and the rise of an accompanying strongly anticapitalist mentality having tangible expression in the tax and regulatory fields. Capitalism depends upon the creative efforts of the active business strata, but these were demoralized throughout the decade.

From this general view, it follows that we should not confuse fluctuations of private investment with a chronic deficiency of investment opportunities. Fluctuations are normal and will continue to occur. To some extent their swings will be checked by the automatic stabilizers, while their course can be reversed by appropriate discretionary actions in the fiscal and monetary spheres. Permanent vanishment of investment opportunities is quite another thing, as yet only hypothetical, and calling for much more drastic discretionary measures, partly of a different kind.

With this distinction in mind, let us assume that deflation will start in 1954. In the light of the preceding argument, what can be done about it? To a considerable extent the answer will depend upon the severity of the decline, both as to speed and to depth. I shall consider two strong cases.

In the first, gross product falls short of the required increase as defined earlier, or perhaps simply fails to rise at all, which latter was the case in 1949. In this case, the unemployment rate would rise at most to 6% of the labor force, depending upon what happens to the level of product within the limits indicated and upon the relative importance of layoffs and short-time. No great change in prices would be likely. In this instance, the mere slowing down or cessation of growth, without an absolute fall out output, would carry some deflationary effects.

In the second case, real gross product declines absolutely and at a rapid pace, which if unchecked might approach the 9.6% drop between 1929 and 1930. Unemployment might rise to 8-10% of the labor force within a single year. A slump of this magnitude would be extreme, but could occur with a very unfavorable conjuncture involving falling private investment and slowly declining Federal purchases together, or from possible adverse reactions induced by a sharp cut of, say, $10 billion in defense spending. Some fall in prices could also be expected.

For the first case, the current monetary and fiscal policies described earlier—easy money plus already legislated tax reductions—seem to me sufficient to halt the decline at close to 5% unemployment. If affairs continued to drift at this level into 1955 instead of turning upwards again, moderate resumption of open market purchasing would be in order. If things turned downward in serious degree, then the program sketched below for the more serious case ought to come into action.

For this second case, considerably stronger measures would be required, even recognizing the potential action of the stabilizers. Its onset would be signaled when unemployment attained the 5% rate within six months' time. At this point, open market operations should be started and consistently pursued. If nonetheless the unemployment rate were to exceed 7% for one quarter, discretionary action on the fiscal side should be taken. For such purpose I would propose, first, upward revision in rates of unemployment compensation, additional reductions at the lower brackets of the individual income tax, and revisions in taxes upon business income. Among these revisions I would suggest more liberal write-offs for depreciation and more generous allowances for surplus accumulations. Then, as a second line of defense, I would propose broad resort to defensible public works projects. Together, these measures seem to me sufficient to turn the tide.

Under either case, both of which are still purely hypothetical, there are practical steps that ought to be taken now, so that we may be properly prepared. The scheduled rise in the old-age taxes ought to be postponed. The scheduled cuts in the corporate income tax and in Federal excises ought to go through. Legislation ought to be developed to give the President some discretionary power over the rates of individual income tax, perhaps subject to legislative veto. A reserve of useful public works projects should be built up, to be ready for use if needed. Emphasis should be shifted at this time from the objective of a balanced Federal budget in the near future to the objective of stablizing growth. High-level balance is both desirable and possible for the long-term, but it ought not to be pursued so vigorously now when readjustment to falling defense expenditures is under way.

Along with these measures, long-range legislative studies are required to lay the basis for some important reforms in our tax and monetary systems. The present Federal tax laws discriminate too harshly against new and growing enterprises, though such firms are essential to expansion and vigorous competition. Our monetary system still suffers from perverse elasticity, while discretionary policies affecting the supply of money depend upon diverse authorities that can act from inconsistent objectives. We require a tax system that fosters incentives for private investment, while our monetary system should be better adapted to the task of more effective control of fluctuations. Reforms in both spheres could contribute much to the twin objectives of growth and stability.

The general approach sketched in this paper rests heavily upon three basic assumptions. First, the principal concern of fiscal and monetary policies should be the control of interim economic fluctuations in a manner consistent with long-run growth and flexibility. Second, growth rests primarily upon a continuing high rate of private saving and investment. Third, there remains a great potential for growth under the system of private enterprise.

In keeping with these assumptions, I have placed much stress upon the creation of incentives for private spending. Private investment is the most important category of this spending, not only because it is much more volatile than consumption, but because it is vital to long-term growth and increased economic efficiency. On this view, fiscal and monetary measures designed to cope with deflation should stress the promotion of private investment. Support of consumption alone is not sufficient either for stability or progress, and if the methods for supporting consumption work against saving and investment, full employment will be much more difficult to maintain while long-term economic progress will be slowed down.

Economic progress is the primary material interest of the whole population. It is particularly vital to the younger generation, which has the most at stake in an environment of increasing opportunities. It surely ought to be possible to provide that environment and all of its attendant material benefits, if, in our fiscal and monetary thinking, we are wise enough to avoid the complacent optimism of the 'twenties and the bleak despair of the 'thirties.

Soothsayers we are not, nor do we probe the entrails of the pigeon or the fish. We patronize no oracle or squint no eye at the crystal ball. Signs of the Zodiac are to us interesting decorations and a deck of cards is best used for poker. ¶ None-the-less we look forward with excitement to interesting events in New Jersey in 1954, for if the impetus of 1953 continues — and we see no reason that it should not — New Jersey will maintain its economic growth in solid fashion. ¶ There still exist the economic advantages that induced one of the foremost makers of

1954

automobiles to locate a large assembly plant in New Jersey. ¶ The reasons prompting the Boy Scouts of America to locate its operations in New Jersey are still sound. ¶ The potential for growth in New Jersey's Industrial Elbow — that area crossriver from the Fairless Works of the U. S. Steel — has not been exhausted. Metal working plants and enterprises satellite to the steel industry are on the move to this part of New Jersey. ¶ We are proud to be in the electric and gas business in New Jersey and to have a functional part in the development of this great state.

PUBLIC SERVICE

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responsibility of maintaining employment and earnings, and providing the shareholders with a fair return on their investment.

With ample working capital, a strengthened sales organization, and a sales policy to meet competitive conditions, I look to 1954 with complete optimism and confidence.

PAUL V. GALVIN

President, Motorola Inc.

The year 1954 will be one in which the electronics industry catches its breath to run for a decade faster than ever before.

At the market place for electronic consumer goods, the activity will be somewhat slower than in 1953. But behind the scenes at the manufacturing level there will be more action of an engineering nature than at any previous time in the industry's history.

Paul V. Galvin

During the year the consuming public's initial curiosity about color television will be answered. There will be many public demonstrations, and many so-called "firsts." The purchase of a color television receiver at a price within the limits of the family budget, however, will still be years away. Momentarily, price tags on the initial models shown to the public will range between $900 and $1,200.

The industry in 1954 can be expected to sell between five to five and one-half million television sets with something in the order of 100,000 color receivers included.

The consumer radio business should attain an 11,000,000 unit volume. Two-way radio communications business will hold firm or possibly increase somewhat. Military electronics continues to be vital in the security of the nation and I foresee no letup in this area of activity.

Overall, the electronics industry should achieve the second largest total volume of business in its relatively short but dynamic history.

In the engineering phases of the industry, I expect noteworthy advances to be achieved in the application of printed circuitry and transistors, forecasting extremely interesting possibilities for further miniaturization and for efficiencies both in manufacturing and in product performance which will lead ultimately to considerable savings.

EARL A. GARBER

President & General Manager, Harbison-Walker Refractories Co.

Refractory materials are absolutely essential to the production of practically all the numerous types of machines, tools, and goods upon which our modern civilization depends. They find their principal markets in the metallurgical and other heavy goods industries. The recent great expansion in the country's capacity for the production of heavy goods, including steel and other metals, made necessary a corresponding expansion of the refractories industry. Since 1949 the industry has invested some 75 to 80 million dollars in construction and modernization of plants, of which over 41 million dollars were spent by Harbison-Walker, with an increase of approximately 33% in the company's overall production capacity.

Earl A. Garber

The demand for refractories tends to parallel general business activity. As the situation appears now, there will be some slackening of the demand for refractories in 1954, but the industry as a whole can look forward to a good year.

W. W. GASSER, SR.

Chairman, Gary National Bank, Gary, Ind.

For the most part of the past 20 years the economic curve has been steadily rising. I believe that we are now at the peak or possibly a little over, and that from here on, without wars or other inflationary measures being applied, the curve will gradually be downward until it reaches a moderate level. Many of the causes for this 20-year sustained upward trend in business have been as follows:

W. W. Gasser, Sr.

(1) Two wars.
(2) Huge taxation and spending.
(3) Rise of national debt from $16 billion to over $275 billion.
(4) Government support of prices.
(5) Great increase of private, municipal, state, and other indebtedness.
(6) Gifts to foreign countries.
(7) Unbalanced Federal budget.
(8) Government guarantees and subsidies.

With many of these inflationary measures being recognized by our new Administration, and with several of them now being corrected, there is very naturally going to be some recession lying ahead. How severe it will be or how long sustained will depend on how quickly these inflationary forces are corrected, and how quickly the government will balance its budget, and on any other unforeseen conditions. The recession can be somewhat offset by lower taxes and lower expenditures by the government which would in turn stimulate business. I firmly believe, however, that the follies of the last 20 years if continued would result in further inflation and, unless corrected, would lead us to ultimate disaster. I therefore believe that 1954 will see the following:

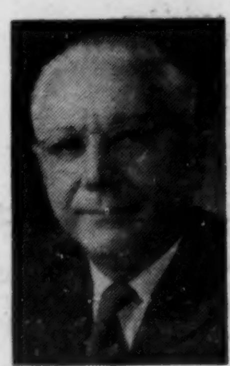
(1) A slight recession in business.
(2) Inflation and rising prices will level off.
(3) Government deficits will probably decrease.
(4) Bank deposits will hold even, or might slightly rise.
(5) Interest rates will continue to decline or level off.
(6) Corporate net earnings will probably be under those of 1953.
(7) A slight recession in employment.

An all-out war, which does not seem probable, would of course change this entire picture.

MARLIN G. GEIGER

President, The Davison Chemical Corp.

The year ahead for the chemical industry is one in which diversification will pay important dividends. It is our belief at Davison that there will be no significant overall change in the business picture; that in some lines further increases in activity can be expected while in others readjustment will take place as supply temporarily overtakes demand. Hence a broad enough variety of products is assurance that the net effect of the various forces at work will be to maintain total volume at or close to the 1953 level.



M. G. Geiger

Some companies in our industry are so fortunately situated that they can reasonably expect important gains in the year ahead. It is a mistake to assume that new chemical plants which have recently come into operation or are scheduled to do so in the nearby months simply add to the total of available products for sale. Many of these new facilities are devoted to new and improved products, or to the more efficient output of already established products, and hence will be needed and used even though the market as a whole does not advance.

As an example, catalyst production is an important facet of Davison business. The catalysts which we will be producing in the year ahead are in response to the demand for higher quality gasoline and other products of petroleum origin, and for other products which will be marketed because of the chemical industry's constant drive to produce new products for better living. Improvement will go on, and companies who have the most to contribute in this way will inevitably be the gainers.

We hear occasionally about increases in inventories, but there is nothing in the published figures or the observations we make of specific cases to cause undue concern. Some inventory build-up is inevitable and to be regarded as normal. It should be kept in mind that many chemical processes yield not one product but two or more, and the yield of a plurality of products is an essential part of the process. But it is hardly to be expected that demands for the several products of a process will maintain an unvarying stable relationship. So a certain imbalance is to be expected at times, and is noted as increases in inventories which are worked off in the normal functioning of the market.

In the instance of fertilizers, there was a falling off in volume last year largely ascribable to the drought, a temporary influence. This was partly responsible for an increase in the industry's inventories. With larger supplies available to them, also, farmers and dealers reduced their early take of fertilizers. But with the approach of spring planting there are already indications of satisfactory seasonal business, and inventory reduction will certainly be in evidence as the season progresses. Here again new products, including high analysis fertilizers and granulated forms of fertilizer, are influencing the market and justifying the expenditures made in plant improvement.

From every viewpoint, 1954 will reward good business practice—which includes not only diversification but better products, more efficient production, and sound aggressive salesmanship.

PAUL S. GEROT

President, Pillsbury Mills, Inc.

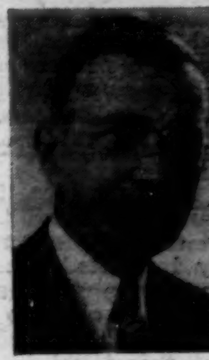
It appears that employment is at a high level and the national income rate is high. As usual, the business we are in is competitive. We have always needed sound selling and merchandising practices and the year ahead will be no exception. There will be plenty of business available in 1954 but we will have to work to get it.

Paul S. Gerot

LORING L. GELBACH

President, Central National Bank of Cleveland, Ohio

Business activity in 1954 will average moderately below 1953 levels. This is premised on the assumptions, first, that no appreciable change will occur in the international political situation, and, secondly, that Congress will cooperate with the Administration to bolster consumer demand as well as to encourage plant modernization programs throughout industry.



Loring L. Gelbach

The contraction in industrial production and in manufacturing employment in recent months is attributable to a more cautious attitude on the part of businessmen toward further inventory accumulation throughout a period of reduced expenditures for national defense, new plant facilities and new homes. The decline in durable goods sales reflects a more cautious consumer attitude towards further debt expansion in this period of lower employee earnings and increasing unemployment.

This adjustment will be one of a transition from a high level of defense production, plant expansion and increased production of goods for both defense and civilian economies, to a more moderate rate of plant expansion in keeping with reduced expenditures for national defense and some lessening in civilian demand for goods. The transition is further complicated by the inventory adjustment currently under way in the consumer durable goods industries.

With the lending institutions in a sound and liquid position, current savings large, and with an easier money policy in effect, no spiraling of deflationary forces is anticipated. The economy is fundamentally sound so that fears of a serious recession or depression in 1954 are unwarranted.

The extent and rapidity of the adjustment will depend largely on what actions the Federal Government and industry take in the months immediately ahead to stimulate consumer demand. Included among the possible stimuli are: lower personal taxes, increased social benefits, accelerated rate of amortization of equipment, more liberal terms on home modernization loans, lower prices and improved quality of products offered to the public.

It is anticipated that the business adjustment correntiy under way will continue throughout most, if not all, of the new year. Principal weakness will appear in the area of industrial production which is expected to average seven to 12% lower than the 235 average for 1953.

With expenditures for defense and capital improvements off only moderately from those of 1953, the decline in overall business, personal incomes and retail sales should be modest—less than 5%. Farm income, foreign trade, as well as wholesale and retail prices are expected to be slightly lower. No appreciable change is anticipated in the cost of living. Some further easing of the money markets is anticipated. Ample funds will be made available to satisfy future demands for credit.

Our ability to produce far in excess of current needs will bring about increased competition and lower prices. Strenuous efforts will be made by management to reduce costs, as well as to improve the productivity of its employees.

Profit margines will be lower but reduced taxes will permit a larger percentage of gross profit to be carried through to net earnings. The anticipated decline in corporate earnings indicates little change in dividends of the better managed companies in 1954.

Statistically, general business will be moderatelv lower than in 1953 but it should compare favorably with 1950-52 levels. Psychologically, it will prove to be disappointing to businessmen.

BERTRAM M. GOLDSMITH

Partner, Ira Haupt & Co., New York City

It is my opinion that Wall Street is entering a new era. For the last 25 years it has merely been a market place where investors could come to buy and sell securities. Its attitude has been the same as that of a doctor toward prospective patients or an attorney towards prospective clients. It has expected the clients to come to it, without any effort on its part. The business of trading stocks and bonds, however, is not like the medical or legal profession. As a result of this attitude, volume has dwindled and business has in no way kept up with the growth of other businesses and the growth of savings in the country. Young men have not been attracted to Wall Street and little attempt has been made by Wall Street to train those who came.

B. M. Goldsmith

Now, however, the attitude in the Street is changing. Perhaps, Mutual Funds showed the way in starting to attract the small investor. The Municipal Bond Fraternity has suddenly discovered that individuals don't have to be wealthy to be attracted to municipal bonds, and individual firms have done a great deal to introduce the municipal bond to investors who formerly would have kept those funds in the savings bank. The Municipal Forum is embarking on an educational program which will doubtlessly receive country-wide publicity and

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As We See It

does not develop an intuitive feeling about what the future holds that is worth more than all the erudite analyses and forecasts in the world. We do not see how business generally flourishes as it does and continues to expand year after year and decade after decade if this were not the case. It is for this reason that we are each year at so much pains to bring to our readers the considered views of so large a cross section of the business community itself.

So far as the general run of economists are concerned, they have been well occupied for a good while past trying to figure whether we are in for a minor dip or readjustment, a recession or a full-fledged depression. The time has come and gone when some of them had us well along in a set-back of more than nominal proportions. We are unable to say off-hand how long it is since prediction of a sizable decline in capital expenditures by business became the order of the day. Others — and sometimes the same economists—have been for some time worrying about declines in defense spending. The rate at which consumers would stay in the markets was and is another matter about which it has for a good while been possible to obtain some not altogether cheerful comment.

Nothing Alarming Yet

The fact is, though, that nothing particularly alarming has occurred in any of these areas. In point of fact, it has seemed rather remarkable how well most of these spheres of activity have maintained themselves despite the fears and doubts of many observers. Capital expenditures have again and again and again refused to behave as they were supposed to do. Current predictions by those who make a specialty of the subject, moreover, do not suggest anything disquieting in this department, although residential housing seems to be a little less reassuring.

Despite all the talk about passing the peak of defense spending, and notwithstanding "cutbacks" in future plans, there is little likelihood of more than a very modest reduction in these outlays during the year immediately ahead. So far consumers, except possibly in a few areas, have certainly not shown any very marked reluctance to buy what they want, and, consumers always want a very large variety of things.

Of course, there are elements of weakness which no one in his right senses wishes to ignore or, rather, dares to ignore. One of them is found in the current agricultural situation. Thanks to misguided attempts to please if not to help the farmer, we have now developed a situation in which the agriculture of the nation is not in a sound or healthy condition. We should all be better off if a substantial part of the capital and labor which have gone into producing far more farm products than can be sold had been instead devoted to producing other things. But there is no particular reason to expect the agricultural situation to get worse as time passes. It may, indeed, have already passed its worst.

Inventories a Threat

There seems to be little reason to doubt that the most immediate threat to a continuation of a very high rate of activity in business is presented by the inventory situation. Generally speaking business several months ago started to reduce the rate of build-up of inventories and then ceased to accumulate them at all. Apparently not very much progress has been made in the actual reduction of stocks, and it appears to be very generally believed that unless conditions change rather radically a substantial amount of inventory liquidation will be effected in the months immediately ahead. Such a course would in all probability have a dampening effect upon business generally.

So much for the outlook as it appears today. One of the big questions remaining has to do with the interaction of such changes as occur in these various sections of the economy. Consumers do not now appear reluctant to buy, but how would they act if presently the employment outlook seemed to them to be more threatening, or if business generally seemed to be sliding downward? Business generally is still seemingly intent upon further investment of funds in productive plant and equipment; what would it be inclined to do should it presently begin to appear that consumers were not much in the mood to buy the end products of our plants?

These are some of the $64 questions, and upon their answer a good deal depends. And, we suspect, the answers will be more readily found by the practical man of experience than by most of the rest of us.

We have had nothing to say so far about anything that may be done in Washington. The omission has been deliberate. It is far from clear what is most likely to be done there. Tax relief of one sort or another seems to be in the cards, but nothing likely to be of very great influence upon the early course of events in the business world seems to be in prospect. It is, of course, possible that as the situation develops, we shall find more encouragement in what takes place than now seems very likely. Certainly, the Eisenhower Administration seems basically less anti-business, and less eager to soak the rich and to spend its way to any and all goals thought desirable.

We must confess to less faith in anti-depression measures—certainly any that we have heard suggested — than some others seem to have. We are inclined to believe that it would be the part of wisdom to assess the year ahead without much reference to what the Administration does to prevent a depression.

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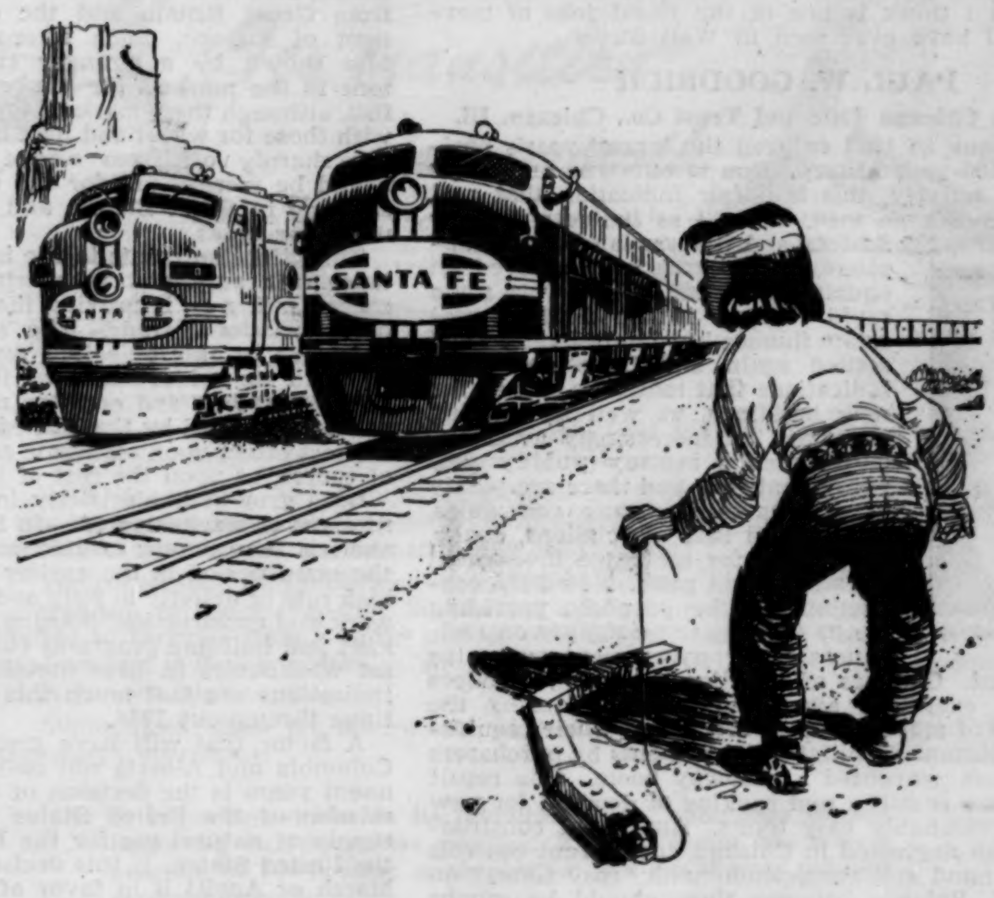

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make today's business with individuals seem small by comparision with the future.

Most important, however, is the merchandising of securities which will be started by the Stock Exchange on Jan. 25, under the Funston Plan. Individuals have become accustomed to making monthly payments not only on purchases of actual commodities such as automobiles, electrical equipment, etc., but also on insurance, hospitalization, old age security and many other items that are as intangible as securities. Therefore, the interest in the purchase of stocks by monthly payments by individuals who have read about the Plan is already tremendous, although the publicity has hardly started. This is particularly noticeable outside the Metropolitan area.

The savings of this country have reached proportions which many years ago would have been beyond belief. A great deal of these savings should be invested in securities, and will be, when securities have been properly merchandised. I believe that the year of 1954 will mark the first step towards Wall Street joining other forms of big business in proper distribution. The automobile, radio and refrigerator businesses would still be one-twentieth their size if they had felt that their products were for the rich man alone. Wall Street is finally beginning to realize that its product too must be offered to the average citizen.

Many men in Wall Street feel that the Funston Plan is not the answer. They can't see how security firms can make money on investments of $40 a month. But when these $40 payments add up to many millions of dollars, and when they bring out of safe deposit vaults and savings banks large amounts of money that should be invested in stocks, but are not presently invested only because the owner thereof has never been properly approached, then the volume on the New York Stock Exchange will increase and the listed and unlisted markets may regain a good portion of the activity they enjoyed in the 1920's, but this time on a sound investment basis. It is only hoped that the Exchange will follow through on the promises evidenced by the excellent kit they have already prepared on the Monthly Investment Plan, which I think is one of the finest jobs of merchandising I have ever seen in Wall Street.

PAUL W. GOODRICH

President, Chicago Title and Trust Co., Chicago, Ill.

Our company in 1953 enjoyed the largest year's business in its 106-year history. Due to our type and scope of business activity, this is a fair indication that real estate and mortgage men, as well as builders, lumber dealers, and thousands of allied suppliers, in this area have enjoyed an equally good year. There were some rapid changes in the field of real estate finance but interest rates have settled again and there are many indications that mortgage money for new buildings, as well as existing ones, will be increasingly available. Government's money policy now points that way and there are plenty of savings in insurance companies, savings and loan associations, banks, etc., ready for mortgage investment at fair interest rates. New FHA legislation will be proposed providing for 35 to 40-year mortgages on residences under government guarantee of repayment. Chances of adoption are good. Lenders to builders exercised admirable restraint during the recent years of ample funds at low rates. Their requirements for substantial initial cash payments by purchasers of new homes prevented a runaway boom. One result was that there is still a real backlog of demand for new houses on reasonably easy terms. Apartment construction has been neglected in Chicago due to rent controls on the one hand and competition with "easy terms" on new homes. Balance between these should be sought and under proposed legislation, some adjustment will likely be made.

Paul W. Goodrich

The need for replacing slum buildings and the repair, rehabilitation and redecoration of buildings to arrest blight in declining areas will be brought more and more to our attention. This is an additional market for finance, building material, labor and know-how. It may be an important factor in making up any decline in demand for construction of new buildings in new areas.

Industrial and commercial building remains active and reconstruction and extension of our highways will be an important feature of 1954 and for years thereafter.

Our metropolitan area is a growing, dynamic giant and migration to this greatest of manufacturing and marketing centers assures the demand for more and more construction of homes, factories and traffic ways.

Evidences of this appear in many places. Downtown streets, once adequate, have become increasingly congested; even restricting traffic to one direction in some areas, while a great improvement, leaves traffic a major problem. Office buildings, a prime index to business conditions, are still fully rented with little sign of change. Our metropolitan area population increased about 14% in the decade to 1950 and has continued its growth since then. In the same period there was a net increase of over 266,000 units of family housing and nearly 36,000 new units were built in the first ten months of 1953. In October (latest available) local new building cost $70,-712,981 of which $42,505,990 was residential. The remainder, $28,206,991, added to our inventory of industrial and commercial property.

The Chicago Plan Commission has concrete plans for the present and immediate future—millions of dollars in public improvements including Congress Street, Northwest, Edens and other expressways, city parking garages and lots, bridges, civic auditorium, as well as airport and park development, and many other major public projects which assure employment and business for a long time.

All things considered, the outlook for Chicagoans in 1954 is encouraging.

RALPH K. GOTTSHALL

President, Atlas Powder Co.

With all the uncertainties that loomed at the start of 1953, we can now look back at a year which was, on the whole, a good one for American industry. Certainly it was a banner period for Atlas Powder Company, with our sales at an all-time high and with important strides made in our plans for expansion and diversification.

Ralph K. Gottshall

Now business looks ahead to 1954, and again there are problems on the horizon. But challenge and the acceptance of calculated risks have always been at the basis of American progress, and I am satisfied that with intelligent planning and effective work, we can solve our problems in the year ahead just as we have in the past. On that basis, I have confidence in the sustained growth of Atlas Powder and of industry in general.

A. E. GRAUER

President, British Columbia Electric Co. Ltd.

The outlook for 1954 in British Columbia appears good. This partly reflects local conditions and partly reflects general conditions.

Relative strength in the world economic situation is indicated by a continuing flow of new capital into British Columbia from eastern Canada, the United States, and, to a much lesser extent, from Great Britain and the continent of Europe. Such strength is also shown by a stronger current tone to the markets for lumber and fish, although these markets together with those for wheat and base metals are sharply off from where they would be were it not for the dollar shortage in Great Britain and other nondollar areas.

A. E. Grauer

This situation points to the importance, for sustained prosperity, of concentrating on improving the flow of international trade. The simple statement of this objective underlines the key importance to its achievement of the United States as the greatest trading and creditor nation in the world. The policies followed by the United States in 1954 will have a direct effect upon economic activity in Canada as well, of course, as upon the rest of the world.

Load growth in electricity in British Columbia shows no signs of slackening off—in fact stands at 12% during the last two months of 1953 as compared with 10% for the same period in the earlier year. This means that a high rate of activity in pulp and paper, new development work and construction, housing, utilities and government road and building programs continues to more than offset weaknesses in base metals, fish and lumber. The indications are that much this same situation will continue throughout 1954.

A factor that will have great significance to British Columbia and Alberta not only for 1954 but for subsequent years is the decision of the Federal Power Commission of the United States respecting the source of supply of natural gas for the Pacific Northwest area of the United States. If this decision (which is expected in March or April) is in favor of the supply coming from the Peace River areas of B. C. and Alberta, it will be a decided impetus to the economic activity of these provinces as well as to the Pacific Northwest in general. As both B. C. and Alberta are heavy net importers of goods from the United States any improvement in their economic activity will automatically increase imports from the United States.

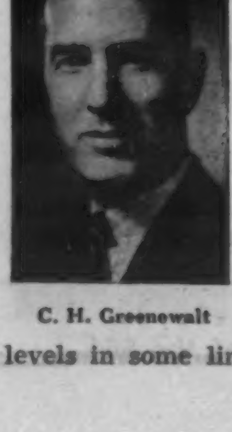
CRAWFORD H. GREENEWALT

President, E. I. du Pont de Nemours & Co.

Whatever the short-term prospects may be, business should enter 1954 with full confidence in the long-range outlook for record-breaking achievement.

Most segments of business, including the chemical industry, reached new peaks of production in 1953. Employment, personal income and savings of the American people climbed to all-time highs.

New and improved products, and new and improved methods to make older products at less cost, flowed from industrial laboratories in a steady stream. The removal of government controls gave business greater freedom for efficient operation. The lapse of the Excess Profits Tax offers an incentive for business expansion in the new year.



C. H. Greenewalt

As usual, the short-term outlook for business is less apparent. Sales of the du Pont Company, while still substantial, fell off from previous levels in some lines during the final quarter of 1953. Since 92% of our production consists of chemical products sold to other industries as raw materials, this was indicative of some curtailment in business generally of sales, inventory, or both. It would require a clearer crystal ball than any now available to forecast how far into 1954 this curtailment will continue.

The uneasy truce ending the Korean War brought warnings of a "peace scare" and suggestions that government should step up its spending to save business. Obviously it didn't occur to these gloomy soothsayers that the cost of war and every other form of government spending is a heavy burden on business, for taxes come out of wages, salaries and earnings. If this money could be spent for consumer goods, or for investment in new enterprise, business would grow in vigor.

Our public prophets should remember, moreover, that the cry of "panic" can be as contagious as the cry of "fire." This is because we no longer have an economy of bare subsistence. Instead we have an abundance in which a substantial portion of our purchases can be postponed without giving up the necessities of life. Thus, when we become frightened over the business outlook, we decide to get along without the new dress, the new dishwasher, or the new automobile. The effect upon business would be obvious if all of us should be frightened into postponing such purchases at the same time.

Fortunately, the American spirit is essentially optimistic, and gloomy forecasts usually are soon forgotten. It is also significant that business is constantly seeking to anticipate conditions so as to make the cautious and gradual adjustments which smooth out the peaks and valleys of short-term trends while progressing steadily toward ever-higher long-term levels.

It should never be forgotten that business in the United States has increased at an average rate of 3% a year since 1925, despite a depression, a recession, a world war, and numerous readjustments. The growth of the chemical industry in this same period has been at the astounding rate of 10% a year. In 1953, this industry alone is estimated to have spent $1,600,000,000 for new plant expansion.

This country's new productive capacity has not been built to stand idle. It must meet the needs of the estimated 2,700,000 annual increase in our population. It must meet in addition the insatiable demand of the American people for still better things for still better living.

At this season of the year, when we survey the past and plan for the future, it is well to keep in mind that the world is just entering the age of transition from an economy of scarcity to one of abundance. We know that the secret of abundance is increased productivity—the use of tools and energy to produce more than human effort can produce by itself. What we know as horsepower creates buying power. There should be no chicken-or-the-egg question about which comes first, for we can have only what we produce.

In our ceaseless search for greater productivity, the technological know-how already acquired is at our disposal. It is expanding swiftly as our chemists, engineers and other scientists knock at new doors leading to the previously unknown, and these doors, in turn, point to still others. As new products emerge from the laboratories and pilot plants, new industries spring into being, new jobs are created, and new levels of prosperity arise.

This is the only true long range business progress. This, rather than any form of direct action by government, is the key to a sound and growing economy whose benefits are shared by everyone.

GEORGE GUND

President, The Cleveland Trust Co., Cleveland, Ohio

Midnight of Dec. 31 closed the door on another very good business year. For 1953 as a whole, business activity was the highest in our history except perhaps for some months during World War II. New records were made in the value of all goods and services produced, total personal incomes, construction expenditures, employment, and steel production, to mention only a few.

The peak of 1953 activity was reached in the first few months, and since then a mild but definite decline has been in progress. This should not be surprising, for we have had a long boom since 1945 and the curve of business cannot be expected to move invariably in an upward direction. Periods of decline have been experienced before — in fact, since 1790, Jan. 1 has found business on the downward slope at least 40 times—but industry has always recovered and climbed to a new peak. And we should remember that the recent descent has been from an extremely high level. Industrial production in November, for example, was about 6% below the 1953 high. But it was within 3% of the figure for the same month of 1952, and exceeded all the previous postwar Novembers.

George Gund

No doubt the new year will have its problems. At present no stimulating factor is visible which could push business activity up to new heights in the near future, and some further downtrend lies ahead. In adjusting to a moderately lower level, business concerns will be confronted with stiffer competition. To meet it successfully, they will need to offer attractive goods at prices which people will pay. Many companies with expanding in-

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Taxes, National Security and Economic Growth

President of Northwest Bancorporation, Minneapolis.

Taxes Up With Employment

The Committee reaffirmed its long-held view that when employment is high, taxes should be high enough to at least balance the cash-consolidated budget. This budget measures the total cash income and expenditures of the Government. The Committee tentatively estimated, on the basis of available official figures:

(1) The cash consolidated budget will be approximately in balance for this fiscal year which ends June 30.

(2) That tax changes which occurred on Jan. 1 and others scheduled April 1 will cause a revenue loss for the next fiscal year of approximately $5.5 billion, requiring an expenditure reduction of the same amount to bring the cash budget into balance in fiscal 1955.

"If expenditures for the national security program are in a declining phase which will continue through 1954 and 1955 even at a very gradual rate, a reduction of total cash expenditures of $5 to $6 billion seems to us a feasible goal," the Committee said.

"If this evaluation of the situation is correct, we may be able to cut taxes for fiscal 1955 by about $2.5 billion (in addition to the cuts that took effect on Jan. 1, 1954). This is about the magnitude of the cuts that are scheduled to take place on April 1, 1954," the Committee said.

The Committee recommended that the reductions in corporate profits taxes and excise taxes scheduled for April be permitted to take place "if that is reasonably consistent with maintaining a balanced cash budget at high employment in fiscal 1955." Calling these reductions "valuable steps in the direction of urgently needed tax reform," the Committee observed that they "were promised for this time by an Act of Congress in 1951. We believe that it is good public policy to adhere to such commitments unless there are very strong reasons that make it impossible to do so."

For Deferring Reductions

"If maintaining a balanced cash budget does not permit all of the scheduled tax reduction, without offsetting tax increases, we recommend that the scheduled reductions be deferred in whole or in part as necessary," the Committee added. "We do not think it would be wise to enact new or higher taxes at this time in order to permit the scheduled reductions to take place on April 1, 1954, since we believe that this offsetting revenue would be needed only for a very short period.

"If we can make only part of the scheduled reductions, we believe that the excise tax reductions should have priority, with as much of the corporate rate reduction as is possible within a balanced budget."

"Looking a little farther into the future the prospect for tax reduction becomes brighter, if we are not forced to increase our national security program substantially," the Committee said. In this connection it also stressed the importance of economy in other Government programs. "If we use opportunities for tax reduction in a way that will stimulate economic growth and if other conditions are favorable we can count on a large increase in the national income in the next few years. And this increase will permit us to raise the present revenue with much lower tax rates."

Estimates of future reductions "must be highly conjectural," the Committee emphasized. "However, on assumptions as to the growth of the economy and expenditure reduction that appear reasonable to us, it would be possible by 1958 to reduce tax rates with a yield of about $10 billion, in addition to the reductions already scheduled."

Individual Rates Should Be Pared

Tax revisions to which the Committee would give high priority when revenue needs permit are those which it considers most likely to increase the rate of economic growth. Among these it suggested that "reduction of individual income tax rates should have high priority in any future tax reduction program. All income brackets should share in this reduction." It urged that major emphasis be placed on reducing those rates now in excess of 40%, to release funds needed to expand national production and income. It said that while on one hand the present high rates in upper income brackets retard investment needed for economic progress, tend to direct funds into safe rather than risk-bearing ventures and have other serious effects, these rates "make relatively little contribution to total tax revenue, because the amount of income subject to these rates is small in comparison with the total national income, although large in comparison with the annual flow of equity capital."

As to excise taxation, the Committee said: "Except for liquor, tobacco and gasoline, we can find no justification for the present system of selective excise taxation. There is no consistent rational principle for selecting the items that are taxed, the rates that are levied or the point at which the tax is collected."

"How much reliance the Federal Government should place on sales or consumption taxation depends upon the total revenue requirements," the Committee added. "As a source of revenue for the Federal Government, sales taxation appears to us to be inferior to income taxation levied at rates that do not seriously threaten economic growth. This is mainly because sales taxation does not permit distinctions to be made on the basis of the taxpayers' income and family status. Therefore if Federal revenue requirements can be met without consumption taxes (other than liquor, tobacco and gasoline) and without excessive income taxation, this should be done."

"Whether the Federal budget in the next four or five years will permit urgently needed reform and reduction of income taxes, plus elimination of selective excise taxes without imposition of a general sales tax, is uncertain," the Committee said. Rather than immediate abolition of selective excise taxes and substitution of a general sales tax to make up the revenue, it recommended that the reductions scheduled April 1 be followed by other steps in the direction of elimination of excises from year to year as revenue requirements and the need for other tax reform permit.

"If at some time it became clear that the goal of eliminating the selective excises could not be achieved within a four- or five-year period by this gradual method a general sales tax could then be enacted," it said.

"If a general Federal sales tax should become necessary, we believe that it would be better to levy the tax at retail than at the manufacturing level," the Committee said, "for several reasons." These include the fact that "the retail tax is more direct and visible to the ultimate taxpayer," the "tendency for a manufacturer's tax to be pyramided" and that the latter would be "a serious burden on many small businesses" since it would be added to the inventory cost that must be financed by a retailer.

The Corporate Profits Tax

If revenue needs are such that the corporation profits tax can't be reduced from 52% to 47%, as provided in existing law, the Committee urged that the rate be cut to at least 50%, because of "the distorting effects which taxes in excess of 50% can have on corporate investment and expenditures." Recalling CED's previous strong recommendations that this tax be reduced, the Committe said that "whether the corporation tax is regarded as a levy on corporate stockholders, or as one that is shifted to consumers in the form of higher prices, it clearly does not meet the accepted standards of sound taxation."

The Committee also urged that the policies which the Government follows in regulating the amount of depreciation which a business can take in any given year be liberalized. "Inadequate depreciation allowances interfere with the steady growth of the economy by making it more difficult and more risky for business to replace obsolete assets with modern ones," it said.

The Committee recommended steps toward relief from "double taxation" of dividends. "While we believe that a large part of the corporate tax is currently being passed on to consumers, we believe that a part of this tax is also being borne by the owners of corporate shares," it said. "Consequently, we think that a part of any reduction which it is possible to make in corporate taxes at this time should take the form of relief for dividend recipients."

Turning to the capital gains tax, the Committee pointed out that while "the present 25% rate of tax on capital gains does not appear to be a serious barrier to investment in risky enterprises," it does deter the initial investors from selling out when the venture is well established and reinvesting in other new developments. In the interests of economic growth it urged development of some means of "unlocking" these funds without substantial revenue loss.

It also urged that attention be given to revising present taxation on income from American

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● Three years ago the earnings of Pennsylvania Coal & Coke Corporation were derived entirely from coal mines in Central Pennsylvania.

With the advent of the present management in 1951, the corporation inaugurated a thorough-going program of expansion, particularly in those fields which represent the natural resources and the basic industries of the nation.

The corporation thus broadened its sources of income. This has made it largely independent of the year-to-year fluctuations which normally affect corporations limited to earnings from a single source. The over-all result has been a steady improvement in Pennsylvania Coal's earnings. The year 1953 showed the corporation's greatest improvement.

Summarized below are the various steps taken to diversify and improve the company's operations:

1. Important strides in its bituminous coal operations toward improving its competitive position. A major factor has been a program of 100% mine mechanization that has sharply reduced production costs.

2. Purchase of 12,000 acres of oil land in Texas, jointly through its fully owned subsidiary, the Tex-Penn Oil & Gas Corporation, and the Moody-Texas Oil Corporation, controlled by William Moody III. This acreage contains 92 producing oil and gas wells with present annual gross earnings of approximately $1,500,000. Ambitious plans are being made for these oil and gas properties, as the company hopes to derive a large share of its future income from natural resources. The corporation also owns 1,600 acres of oil and gas properties in the Bradford area of Pennsylvania.

3. Acquisition of a 3 freighter shipping fleet assuring Pennsylvania Coal & Coke Corporation substantial income for many years ahead.

4. Acquisition of and merger with The Crescent Company, Inc. and Properties, Inc., of Pawtucket, R. I., manufacturers of insulated cables and wire for the automotive, electrical and electronic fields.

5. Acquisition of majority interest in the Industrial Brownhoist Corporation of Bay City, Michigan. This company manufactures specialized cranes and heavy industrial equipment. It owns many basic patents on the large railroad cranes which it produces, and is the undisputed leader in this field.

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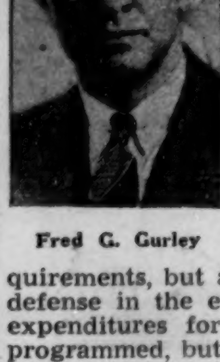
ventories should be thinking in terms of reduction to forestall a top-heavy position.

While the outlook is for a lower average level of business in 1954 as compared with 1953, that does not mean that 1954 will be a bad year. There are good reasons for not expecting a serious slump in 1954. Over-speculation, so rampant in the late 1920's, is not a factor of importance today. Business concerns will probably invest almost as much in plant and equipment as they did in 1953. Government spending for defense is likely to remain near the present figure. Total construction expenditures, as now projected, will drop only about 2% below 1953. All in all, 1954 should compare favorably with the years 1950-52.

F. G. GURLEY

President, The Atchison, Topeka & Santa Fe Railway System

In keeping with the high level of business activity in the country generally during 1953, gross revenues of the Santa Fe Railway System will exceed those of 1952 by a slight margin. As the result of substantial capital expenditures in recent years for modernization and improvements, providing increased economy and greater efficiency, and the adverse effects on 1952 earnings of the severe earthquake centering in the vicinity of Techachapi, California, on July 21, 1952, net income of the year may be up about 10% over 1952.



Fred G. Gurley

Gross capital expenditures of approximately $85,000,000 in 1953 for Diesel locomotives, new cars and additions and improvements to other facilities reached a new high for the System. The new equipment costing about $60,000,000 was acquired to place this company in position not only to meet normal commercial requirements, but also to meet the necessities of national defense in the event of a serious emergency. Capital expenditures for 1954 have not yet been completely programmed, but it is expected that they will be somewhat below the high level of 1953.

Toward the end of the year carloadings were turning downward and this trend suggests a moderately lower volume of traffic for the year 1954 as a whole. In addition to some uncertainty about the general economic trend, the railroads are faced with demands by the labor organizations for increased wages and fringe benefits that would increase this company's costs by many millions of dollars if granted in full.

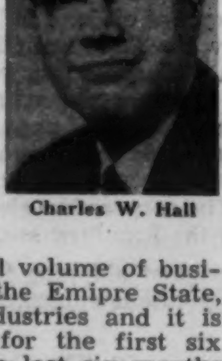
Conditions in the winter wheat belt were quite unfavorable in the late summer due to the drought, but the moisture received in Oct. and Nov. has improved the winter wheat prospects and with normal rain and snowfall during the remainder of the growing season, conditions now lend encouragement to the belief that a good crop may be harvested.

While we may be approaching a period when the level of the economy may be somewhat lower than in 1953, a severe decline does not appear to be in prospect and the Santa Fe is progressing its plans with faith and confidence in the future.

CHARLES W. HALL

President, The Oneida National Bank & Trust Co. of Utica, N. Y.

It would be very difficult to make an appraisal of the outlook for 1954 without reflecting on the important influences that the policies of the government have in the shaping of the course of industrial production. These many far-reaching and important decisions that have been made during the last year will take time to reflect on their impact on the economy. These decisions have affected every phase of life and it is important that we keep informed that we may be able and ready to adjust our plans to a fast moving economy.



Charles W. Hall

Industrial production in the Utica area during 1953 has been at a high level. During the past year we have experienced the lowest unemployment of any time in the past several years. This has resulted in good business throughout the area and we enter 1954 expecting some adjustments, but still resulting in a good volume of business. Utica, located in the heart of the Empire State, is now a city of well diversified industries and it is expected that industrial production for the first six months will hold close to that of the last six months of 1953, unless the general industrial production on a national level shows a major change.

There have been a great many predictions made during these last few weeks by competent authorities as to the outlook for 1954 and information available to them is in much more detail than available to many others. But one of the most reliable barometers is the volume of business booked for delivery in the early months of 1954 and in this area it follows a close pattern to the experience of last year. This favorable outlook by these corporations will have a material impact on employment and it is with careful appraisal that we make the statement that we believe the outlook for the first six months of 1954 will be favorable.

Within this immediate area there will be substantial expenditures during 1954 for capital improvements. These improvements will reflect the building of substantial additions to our public schools and the central schools located in this area. In the case of highways, the New York State Thruway is only partly completed and there is much work yet to be done throughout 1954. Within this area there are now being planned substantial additions to three of our general hospitals and at the same time substantial additions being made to the state hospitals for the mentally ill. Home construction moving at a very steady level through the past years, is expected to continue at the same level for 1954.

Dairy farming is an important industry in this area and contributes in a major way to the purchasing power of a large number of people who make Utica their shopping center. As these farmers look ahead into 1954, there has been some indication of a small drop in their income, estimated not to exceed 5% and it is not expected that this lowering of income will make any major impact on the standard of living of this group of people.

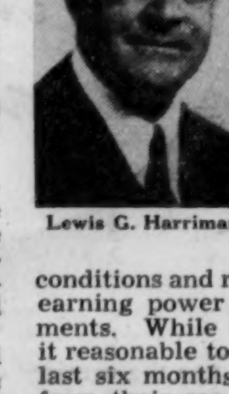
Bank deposits, both savings deposits and commercial deposits, reached an all-time high during the past year. This reflects the general prosperity of the area. The banking institutions have been with means to care for the full needs of their customers and the general demands placed on them. The outstanding consumers' paper is not at a dangerous level and the general credits of the area are strong. Mortgage money, needed for capital construction, is available to meet general needs, but only so when it is on a fast liquidating basis.

The general tone of business in this area is favorable.

LEWIS G. HARRIMAN

President, Manufacturers & Traders Trust Co., Buffalo, N. Y.

I am finding a rather wide divergence of opinion among our friends and customers as to the general business outlook for 1954. It will be interesting to see if the "Chronicle" forum produces the same pattern. As against this I think bankers are pretty much in agreement that their own business will be very satisfactory in the coming year.



Lewis G. Harriman

In many respects 1953 was a transition year. With the advent of the new Administration came new concepts of Federal debt management and money and money rate policy. Following some early problems and difficulties, attended by unusually wide swings in money rates and bond prices, the capable team running the Treasury and the managers of the Federal Reserve appear to be in accord and have the situation well in hand. Money rates are no longer pegged but reflect supply-demand conditions and requirements. Out of this has come a higher earning power for money from both loans and investments. While the loan rate may ease slightly, I think it reasonable to assume that most banks have utilized the last six months materially to increase the coupon yield from their securities. By extending maturities at least modestly and by the acquisition of municipal bonds at attractive yields the increased rate of income on securities should be established and assured for two or three years at least. The importance of this is apparent when you consider that a bank's investment portfolio normally aggregates about 50% of its total earning assets.

Loan volume may decline somewhat but even the more pessimistic soothsayers forecast no major recession in business; and deposits will very likely rise as the anticipated Federal deficit is financed. Bank earnings were on the increase in 1953 and I expect this trend to continue in 1954. The structure of the banking business has never been as strong as it is today and at no time have banks been more aggressive in selling their wares and seeking new and broader fields for service and profit.

WALTER HARNISCHFEGER

President, Harnischfeger Corporation

One can easily review 1953, but with the many influences likely to alter the economic outlook for 1954, the following statement does not fully express certain mental reservations I have:

Historically, the steel industry has represented the baseline for many allied industries, and, particularly, the heavy equipment industry. Steel companies produced the phenomenal amount of 118,000,000 tons, much of which went into heavy equipment industry, which during 1953 was operating at capacity. The greatest stimulus was the United States Government's defense program on which in excess of $43 billion were spent.

W. Harnischfeger

The defense program, directly and indirectly, influenced plant expansions in heavy industry and in the consumer goods manufacturing lines. The overhead traveling crane business is an excellent barometer reflecting expansion of facilities. Although this business dropped off as much as 20% toward the end of 1953, the return of competitive markets will be a compulsion for many manufacturers to modernize completely their plants in order to meet the changed economic situation. It is reasonable to assume, therefore, that while more competitive, in spite of lower prices, heavy equipment will still find a relatively good market.

The construction industry, I believe, reached an all-time high during 1953, and indications are that in 1954 this record will be surpassed with respect to highway construction. Principal contributors to maintaining a high level of employment will be the repair of old and establishemnt of new highways; a secondary and still substantial influence will be the deferred erection of state and municipal structures, schools, hospitals, and churches. Such programs should afford a substantial market in the construction equipment, as well as in steel, cement and allied industries.

Some leading authorities estimate steel production may be off 15% to 20% in 1954 as a result of a lower demand. Many manufacturers are reducing their inventories as a result of shorter lead times for procurement of raw materials. As a consequence, overtime will be gradually and eventually totally eliminated. Earnings will be reduced, and consumer buying will be affected to some extent.

Some necessary and much unnecessary profligate spending over the last 20 years has created such an inflation that to restore a balanced budget requires drastic reductions in many Federal programs to the extent of reducing some to bare minimums and the elimination of others entirely. It must be remembered that, while the fiscal '54 budget was reduced $14 billion, actual spending was at a higher rate than in fiscal '53.

Some inflationary support will continue in the consumer goods field by extension of credits and establishment of long-term buying. To the extent that it is necessary to bolster the farm implement field and the sale of new and used cars, and within controllable limits based on sound judgment, this inflationary force will strengthen the economic outlook in 1954.

We cannot overemphasize the effect of government spending on business and individuals. A Federal budget of approximately $70 billion and the necessity for raising of the debt ceiling within the next six months will postpone the realization of a balanced budget. It is estimated by various sources that fiscal '55 will result in a deficit of from $1¼ billion to as much as $8 billion.

The actual status of the deficit will largely depend upon the effect on the economy of long-overdue tax reduction, which will create many beneficial effects. For example, Canada has had a balanced budget for the last four years, with continuing tax reductions. Last year's Canadian tax reductions reduced individual taxes better than 10% and corporation taxes better than 11%. It was anticipated that Canada would end up with a $9 million deficit. With about half of the year gone, Canada, instead of a deficit, has in excess of $230 million surplus. It is apparent, therefore, that any anticipation of a Federal deficit a year and a half from now is difficult.

In addition to reduction of unnecessary expenses, many Federal programs that may be desirable must be deferred simply for the very logical reason "that we cannot afford it at this time."

Undoubtedly, the Congress will be concerned about the Taft-Hartley Act. In spite of many union leaders' statements that it was a slave-labor act and that it was a "union-busting" law, this has not proved to be a fact. Instead, the employee has actually been given greater freedom, and to some extent, union racketeering has been eliminated. If the Taft-Hartley Act is in need of revision, such revisions should be made to strengthen the law, particularly to eliminate racketeering, to protect union pension funds, to abolish secondary boycott and to control jurisdictional disputes. I believe the foregoing account for 60% of the difficulties between employer and employees.

Sound employer-employee relations in a free market are essentially based on an employer's ability to pay and the employee's turning out an honest day's work for a good day's pay. The desirable employee, the honest, sincere and capable workman must realize that he has been carrying the load imposed upon him by the lesser skilled, and, to a considerable degree, by those who in a normal labor market would be considered unemployables.

Export trade has shown some decline in business in the last year, which was inevitable, and we can anticipate to a greater extent readjustment of trade channels. I am strongly of the opinion that the first responsibility of Americans is to protect our own internal economy. We recognize foreign trade must be a two-way street; an exchange of value for value. With the high standard of living in the United States, it is impossible to consider absolute free trade. A $2.00 average wage rate of the United States cannot compete with one-half or one-fourth this rate in other areas of the world. We must have a selective tariff, giving prime consideration to the difference in wage rates between this country and abroad. There may be mass-production industries which can compete in free markets in the world and may need no tariff protection. Such industries should be given the opportunity to compete, which means that the selective discrimination against such products by other countries must be eliminated. I refer to boycotts and tariffs existing in other countries who are the loudest in their request for free trade. I believe such countries should take the lead if they expect us in turn to grant free trade. If reciprocal trade agreements are to continue, the State Department must be restrained and its influence in foreign trade must be limited to sound Tariff Commission findings.

Generally speaking, international relations seem to have improved. There seems to be a little bit more thought and somewhat better judgment being exercised in the administration of give-away programs—at least,

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Taxes, National Security and Economic Growth

capital invested abroad to provide stronger incentives for such investment.

Ending Tax Exemption on Bonds

The Committee renewed previous recommendations for discontinuance of Federal income tax exemptions granted on interest derived from State and municipal bonds. This exemption is "both inequitable and economically unsound," it said. "If it is in the national interest for the Federal Government to assume (as it is in effect now doing) a portion of the carrying charges on State and local government debt, it would be possible to do this in a way which will not at the same time afford wealthy persons a refuge from high income tax rates."

The Committee said that "the lack of a system for averaging income is a serious defect in the personal income tax. Under the present method of annual accounting for income tax, an individual whose income varies from year to year pays a larger income tax than one whose income is stable, even though over a period of, say, five years their total incomes are the same. This is particularly hard on the proprietors of small businesses whose profits vary widely from year to year.

"In 1944 we suggested that this defect could be removed by providing for refunds to individuals to the extent that taxes actually paid during a five-year period exceed the amount of taxes that would have been due if the aggregate income had been spread equally throughout the period. In order to reduce the amount of paperwork, refunds might be limited to cases in which the amount of over-payment was substantial, say at least 5 or 10% of the amount that would have been due if the income had been evenly spread over the period. We believe that this system, or some alternative means of achieving the same end, would be a major step toward improving the personal income tax."

There are a great many other proposals for tax reform which are important and deserve consideration, the Committee said.

"For example, all provisions of existing tax law that give preference to income from particular sources or to particular forms of business organization should be reviewed to make sure that they are justified under present conditions.

"Increased effort should be devoted to enforcing full payment of taxes due under the existing law, which will, among other advantages, yield additional revenue to make tax reform possible.

"However, the items we have discussed are, in the opinion of this Committee, the most important changes from the standpoint of the most important objective of tax reform — namely, the removal of impediments to economic growth and efficiency."

"Many of our great national problems are tied together in the problem of tax reduction and reform," the Committee said. "We have high taxes because our national security expenditures are high, and the possibility of tax reduction largely depends upon the level of those expenditures.

"Anxious as we all are for tax reduction, we recognize the priority of national security. That comes first, and we can and must afford it. But even the United States cannot afford waste in so large an enterprise as provision for our national security. And the heavy burden of national security expenditures makes it doubly important to achieve maximum economy in other parts of the Federal budget."

In addition to Messrs. Wilde and Thomson, members of CED's Research and Policy Committee, are: Meyer Kestnbaum, CED Chairman and President of Hart Schaffner & Marx, Chicago; Elliott V. Bell, Chairman of the Executive Committee, McGraw-Hill Publishing Company, New York; John D. Biggers, Chairman of the Board, Libbey-Owens-Ford Glass Company, Toledo; James F. Brownlee, partner, J. H. Whitney & Co., New York; S. Bayard Colgate, Honorary Chairman of the Board, Colgate-Palmolive Co., New York; S. Sloan Colt, President, Bankers Trust Company, New York; Gardner Cowles, President, Des Moines "Register & Tribune" and Cowles Magazines, Inc., New York; Jay E. Crane, Vice-President, Standard Oil Company (New Jersey), New York; Harlow H. Curtice, President, General Motors Corporation, Detroit; William C. Foster, President, Manufacturing Chemists' Association, Inc., Washington, D. C.; Clarence Francis, Chairman of the Board, General Foods Corp., New York; Philip L. Graham, President & Publisher, "The Washington Post," Washington, D. C.; Robert Heller, President, Robert Heller & Associates, Inc., Cleveland; Amory Houghton, Chairman of the Board, Corning Glass Works, Corning, N. Y.; Ernest Kanzler, Vice-Chairman of the Board, Universal C. I. T. Credit Corporation, Detroit; Sigurd S. Larmon, President, Young & Rubicam, Inc., New York; Fred Lazarus, Jr., President, Federated Department Stores, Inc., Cincinnati; Leroy A. Lincoln, Chairman of the Board, Metropolitan Life Insurance Co., New York; Robert A. Lovett, partner, Brown Brothers Harriman & Co., New York; Thomas B. McCabe, President, Scott Paper Co., Chester, Pa.; Fowler McCormick, Scottsdale, Arizona; Don G. Mitchell, Chairman of the Board, Sylvania Electric Products, New York; George L. Morrison, Chairman of the Board and President, General Baking Co., New York; Howard C. Petersen, President, Fidelity Philadelphia Trust Co., Philadelphia; Philip D. Reed, Chairman of the Board, Amsinck, Electric Co., New York; Beardsley Ruml, New York; Harry Scherman, Chairman of the Board, Book-of-the-Month Club, Inc., New York; S. Abbot Smith, President, Thomas Strahan Company, Chelsea, Mass.; H. Christian Sonne, Chairman of the Board, Amsinok, Sonne & Co., New York; Wayne C. Taylor, Washington, D. C.; Alan H. Temple, Executive Vice-President, The National City Bank of New York, New York; Theodore O. Yntema, Vice-President-Finance, Ford Motor Company, Dearborn, Mich.; J. D. Zellerbach, President, Crown Zellerbach Corp., San Francisco.

Members of the subcommittee which conducted the study, are: Chairman, Mr. Thomson; Vice-Chairman, Mr. Wilde; Mr. Bell, Mr. Colgate, Mr. Crane, Edmund Fitzgerald, President, The Northwestern Mutual Life Insurance Co., Milwaukee; Mr. Graham, Mr. Heller, John Jay Hopkins, President and Chairman, General Dynamics Corp., New York; Mr. McCabe, Mr. Mitchell, Gwilym A. Price, President, Westinghouse Electric Corp., Pittsburgh; Mr. Ruml, Mr. Scherman, Carrol M. Shanks, President, The Prudential Insurance Company of America, Newark; William C. Stolk, President, American Can Co., New York; Anna Lord Strauss, New York; Mr. Temple, Mr. Yntema.

Municipal Bondwomen To Hear Hardwick

C. Cheever Hardwick

The Municipal Bondwomen's Club of New York will have C. Cheever Hardwick of Smith, Barney & Co., as its speaker for the third meeting of the current year's Educational Program on Jan. 21, 1954. Mr. Hardwick's topic will be "Highway Modernization and the Toll Road." Guests are invited.

The meeting will be held at Smith, Barney & Co., 14 Wall Street, New York City, Conference Room, eleventh floor, at 5:30 p. m.

With Highland Park Investment Co.

(Special to The Financial Chronicle)

ST. PAUL, Minn. — George W. Tilden has become affiliated with Highland Park Investment Company, Pioneer Building.

C. H. Reiter Adds

(Special to The Financial Chronicle)

CINCINNATI, Ohio. — Michael B. Kirila has been added to the staff of C. H. Reiter & Co., Union Trust Building, members of the Cincinnati Stock Exchange.

Wherever Mrs. America shops

CROWN products serve her

Crown plays an important part in supplying the homes of America with a wide variety of products that make life more enjoyable and more convenient. As the world's largest maker of metal closures, Crown produces the caps that seal an impressive list of soft drinks, beer, food, cosmetics, toiletries and many other household items. It makes the Dacro metal caps used on milk bottles by dairies from coast to coast. Its Machinery Division produces equipment for filling and capping soft drinks, beer, food products and milk. Its Can Division makes cans for food, oil, paints, chemicals, etc.

Two recent Crown developments have had a revolutionary effect on the packaging and merchandising of a wide variety of products. Crown's SPRA-TAINER, the original light-weight propulsion can for pressure packed products has opened up entirely new fields of use for countless types of products. And Crown's VACUUM LUG CAPS make available to the food packer a cap that gives efficient, high speed vacuum sealing and at the same time is easy to remove.

Although Crown sells chiefly to other manufacturers, its ultimate customers are the households of the nation. Wherever the modern housewife shops, Crown products serve her.

CROWN CORK & SEAL COMPANY, INC.
BALTIMORE 3, MARYLAND

Plants at: Baltimore, Philadelphia, St. Louis, Detroit, Chicago, Orlando, Leeds, San Francisco, Los Angeles

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BEVERAGE BOTTLE CAPS • BEVERAGE BOTTLING MACHINERY • MILK BOTTLE CAPS • MILK FILLERS • METAL CAPS AND CLOSURES • CAPPING MACHINES • PACKERS' CANS • GENERAL LINE CANS • BEER CANS "SPRA-TAINERS" • "FREEZ-TAINERS" • MERITSEAL CAPS

Continued from page 66

the "one-worlders" who want to exhaust our resources seem to have been curbed.

I sincerely hope that the election of next Fall will not cause the Administration or some of our elected officials to depart from intelligent statesmanship for the purpose of temporary political expediency. Reduction in Federal expenditures, essential reforms in Federal administration, a return to the states of some of their responsibilities and sources of revenues are necessary. The 1952 elections demonstrated the American people were ready for the necessary return to sound principles of government, and it is now up to the Congress and the Administration to follow the wishes of the majority of the electorate. Legislation is not enough. The Administration and the Congress must explain the necessity for readjustments and cut-backs required to make America a solvent and great force in the world again. A balanced budget must be obtained, even at the sacrifice of some leveling off of employment. Generally, I believe the American workman realizes that the readjustment is inevitable, and, in effect, is an investment, the returns of which would be a sound dollar and a preservation of the value of savings, pensions and other personal property.

In conclusion, I see the coming year marked by certain selective readjustments in which some marginal industries may show substantial declines. For the most part well-run established industries and services will continue relatively prosperous. New areas of development will expand and help take up any slack.

ERNEST HENDERSON

President, Sheraton Corporation of America

It would seem that the year 1954 will be a more crucial test of managements' ability to maintain earnings than any other year since war ended in 1945. The reason for this opinion is based on the fact that the intervening years have been gradually translating the great increase of monetary resources into actual inflation, a process which has gradually facilitated the creation of profits. When prices are constantly rising, inventory profits contribute to earnings. Fixed rentals over a period of years often augment profits. Operating costs do not always advance in proportion as prices rise.


Ernest Henderson

With the possibility of a somewhat sounder dollar under a Republican Administration, it may well be that managements will have to call upon greater managerial resources and more effective planning in order to offset what may be a decrease in the rate of the inflationary trend which we have witnessed since the end of World War II.

If the efforts to retard inflationary trends are successful, business managements will be faced with a severe test. I feel convinced, however, that American businessmen in general, and those in the hotel industry in particular, will find means of meeting this new problem and that the year 1954 will be, contrary to most expectations, as good a year as was its predecessor.

HARRY B. HIGGINS

President, Pittsburgh Plate Glass Company

Record production and sales of plate and window glass products, paints and chemicals were recorded by Pittsburgh Plate Glass Company during the past year. Total sales during 1953 are estimated to be about 10% above the $402,000,000 reported during the previous year. Employment tapered off slightly in the last quarter but had reached a high of 31,500 during the year. It averaged about 2,000 more employees than during any 12-month period in the company's 70-year history.


H. B. Higgins

General business conditions in 1954 should be good, with some minor adjustments, and sales of Pittsburgh Plate Glass Company will probably be somewhere between the 1952 and the 1953 figures. Inasmuch as a substantial portion of the company's glass production is used by the automotive, building and the furniture industries, the annual sales of the Glass Division are substantially influenced by the level of activity in those three industries. However, as production estimates for 1954 in those industries are optimistic, no serious reduction in glass production is anticipated.

Markets for products of the Paint Division are not expected to change materially, assuming that automotive, building and appliance industries operate at a reasonably high level. The use of paints for maintenance of homes, factories and public buildings is expected to remain fairly constant.

Columbia-Southern Chemical Corporation, a wholly-owned subsidiary, produces chlorine, caustic soda, soda ash and related products which are used as basic chemicals in the glass, chemical, textile, paper and metal finishing industries. Columbia-Southern's sales are determined almost entirely by the production levels of the industries it serves.

Capital expenditures were $23,000,000 which brought the total cost of the expansion and renovation program during the postwar period to $190,000,000.

Increased capacity during a year of record demand permitted substantial increases in the unit volume of both plate and window glass products. All principal markets for glass—automotive, construction and furniture industries—utilized record amounts of glass in their fabrication and construction activities.

Glass area in automobiles, commercial buildings and homes continues to increase and the average automobile this year has about 30% more glass area than its 1947 predecessor. The trend in home construction is to larger picture windows and in northern climates, to the double-glazed insulating windows, such as the Pittsburgh Plate produced Twindow.

Greenish-tinted Solex, a heat-absorbing and glare-reducing glass, also continues to find increasing customer acceptance. Although Solex for automobiles is still sold as optional equipment, more than 50% of the glass produced by Pittsburgh Plate for the automotive industry during 1953 was of the tinted heat-absorbing type.

During the year, the company began manufacturing the first all-glass double-glazed insulating window at a new plant at Lincoln, Ill. Edges of the unit, named TwindoWeld, are electrically fused to provide a glass-to-glass seal having no metals, bonding materials or other assembled parts. Described as an ideal insulating window, the new product has the advantages of the assembled double-glazed units now on the market plus the permanency of true glass-to-glass sealed edges.

The paint division commenced construction of a new basic research laboratory at Springdale, Pa., and the Forbes Finishes Division began construction of a lacquer development laboratory at Cleveland, O., during the year.

Columbia-Southern Chemical Corporation added chlorine and caustic soda facilities at Corpus Christi, Texas, and Natrium, W. Va., and also expanded perchlorethylene capacity at its Barberton, Ohio, plant.

JOHN A. HILL

President, Air Reduction Co., Inc.

It would seem to me that although the upward thrust of rising defense expenditures and plant expansion programs which raised so many sectors of the economy to record levels in 1953 may be missing during 1954, basic conditions appear firm enough to provide ample support for a year of good business.


John A. Hill

The shifting of the economy from an industrial mobilization boom to more normal operating ratios may result in moderate declnes in many fields but we do not foresee any general decline in the chemical industry.

Although the growth in the consumption of chemicals in recent years has been substantial, we feel that this industry is still in the rapid growth stage of its industrial life cycle. We believe that its regenerative nature will enable it to fare better than most other industries during the next year. The new products and new processes coming out of its fertile research laboratories and its greatly expanded production facilities should make for continuing improvement in the chemical industry's share in our national economy.

EUGENE HOLMAN

President, Standard Oil Co. (New Jersey)

Nineteen fifty-three was a good year for all segments of the oil industry and I believe that the level of business will continue to be favorable in the year ahead. Domestic demand for petroleum products in 1953 was about 6% over the previous year. In 1954 domestic consumption of oil will be around 4% above the record demand in the past year.


Eugene Holman

There has been some leveling off in business activities. And it is my view that some industries will do better than others during the coming year. On the average, industrial production will probably be about 5% less than the average for 1953.

Among other things, the outlook for the new year is for even more intense competition in the petroleum industry. We now have entered a period requiring redoubled efforts by the oil companies to attract customers in the vast petroleum market at home and abroad. The atmosphere of increased competition results from the rapidly rising demand for oil products during the war and the following years, which made it necessary for the industry to expand greatly. The industry not only fulfilled this responsibility but may have been carried farther by sheer momentum. Supplies of products, particularly gasoline stocks, are becoming increasingly plentiful. The industry's expansion to the point where it now has a cushion of more than one million barrels a day for defense or other emergency needs is also a significant development.

The obvious result of such factors is stronger competitive pressures on the petroleum markets. The coming year should, therefore, produce challenges which must be met by expanded efforts in research, marketing, and other phases of the oil business. Improved products, such as better gasoline being offered by our domestic affiliates, efforts to cut distributing costs through efficiency, and some good old-fashioned selling are just a few factors that should benefit the consumers, the industry and the country as a whole.

Another matter with which the industry will be concerned in the coming months is the subject of imports. Recently segments of the domestic industry have held the opinion that imports are exceeding amounts necessary to supplement domestic supplies. We hope each importing company will exercise industrial statesmanship to the end that existing differences of opinion will be composed within the industry during the coming year. Certainly Jersey Standard hopes that the new year will not produce new barriers to international trade. Long-range thinking on the subject of international trade is vitally important if our country is to deserve the support of our friends and allies of the free world.

The outlook is for a continued favorable level for profits and Jersey's operating affiliates have reported they expect employment to be about the same as in 1953.

DAN W. HOGAN SR.

President, City National Bank & Trust Co., Oklahoma City, Okla.

The outlook in the State of Oklahoma is favorable. The drought in the Southwest, while damaging our 1953 wheat crop, left us 70,000,000 bushels of excellent quality wheat; our cotton crop was far above the preceding year, with favorable weather for harvesting. Fall rains came in time to make excellent wheat pasturage for the vast herds of high bred cattle and sheep, which populate Oklahoma. This wheat pasturage for livestock was worth to the farmers and ranchmen of the state millions of dollars and is the best we have had for years.


Dan W. Hogan, Sr.

During the year many oil fields have been opened to production and much larger areas are under lease, where farmers get an annual rental of $1.00 per acre.

Bank deposits are holding to about normal. The decline in cattle prices, while discouraging to the owners, appears to be stabilizing at a point where they can be produced at a profit, and yet in reach of the consumers.

Among our customers, I sense a feeling of encouragement and increasing confidence in our national Administration.

JOHN HOLMES

President, Swift & Co.

A four-pound drop in per capita consumption of meat in the United States appears in prospect for 1954. While 1954 consumption will be about 147 pounds as compared with 151 pounds during 1953 and an average of 143 pounds during the last five years, there will be an ample supply of meat available by comparison with past years.


John Holmes

The production of beef seems likely to remain high in 1954 and consumption per person is estimated to be two pounds less than this year. Beef consumption next year will therefore be the highest, except for 1953, in over 50 years.

The supply of pork will be smaller than last year. Per capita consumption for the entire year is expected to be the smallest since 1938.

The production of veal will be as large or larger in 1954 than in 1953 as a result of big cattle production and sizable calf marketings. For lamb and mutton a reduction in output is in prospect and per capita consumption will probably drop slightly. These forecasts are based on reports of the Bureau of Agricultural Economics, U. S. Department of Agriculture.

Beef

The expansion of cattle production over the past four years, one of the fastest upswings of all time, appears to have reached its climax in 1953. The slaughter rate is expected to continue high in 1954, about the same as the 36 million head for 1953. However, it now appears fewer of the cattle marketed will be of the heavy weights. This is expected to result in a slight drop of beef consumption per person but it should stay above 70 pounds. Beef consumption per person rose from 55 pounds in 1951 to a record 75 pounds in 1953. The nation's cattle herd has been built to a high level and production of beef seems likely to remain high for several years to come. Also a population growing at some 7,000 per day and a rising standard of living should insure a continuing demand for beef.

Pork

About mid-1954 the supply of pork is expected to reach the 1953 level for a corresponding period. By the time hog marketings expand seasonably next fall pork should be more plentiful than at the same time in 1953. Per capita consumption for the year will probably be down, however. With demand reassuringly high throughout 1953 and expected to be maintained at relatively high levels for 1954, hog producers will probably begin a new expansion. The United States Department of Agriculture's survey of farmers' intentions indicate that the number of sows to be farrowed in the spring of 1954 will be 6% over the previous year.

Poultry

Commercial broiler output has set a new record each year since 1947. Production for 1953 will probably well exceed 900 million head when final figures are available, or an increase of 5 to 7% over 1952. In 1954 the

rate of increase will probably be about the same, perhaps indicating a slowing rate of increase percentage-wise. Various factors now indicate also a steadier volume of broiler production than in the recent past. A definite trend toward evening out the seasonal ups and downs of egg production is indicated. This will help to alleviate the usual late summer and fall shortage of hatching eggs which used to cause severe limitations on broiler production.

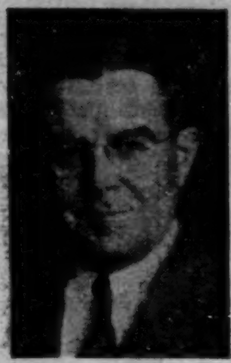
Prices

Any forecast is subject to a variety of conditions which could impose radical changes in prospects, and any attempt to predict price trends in the meat business would be like peering into a crystal ball. Today's large inventory of cattle is sensitive to such highly unfavorable possibilities as widespread and severe droughts. This would result in a larger marketing and cattle numbers on farms would be reduced with a corresponding decline in prices. On the other hand wars and rumors of wars, consumer spending sprees, inflation, or world shortages of food hold a corresponding possibility of price rise. The cattle and beef business will continue to have its price risks; never safe from possible declines; always faced with the chance of price rises. However, to all appearances the market is now as nearly "in balance" as one is likely to find in so volatile an industry. Barring ever-present possibilities, there is good reason to believe that cattle producers have seen the worse of the adjustment.

J. G. HOLTZCLAW

President, Virginia Electric & Power Co.

The South looks forward to 1954 as a year of progress. We see no fundamental reasons why the prosperity of our country, and this region in particular, should not continue. True, the sellers' market which has existed since the beginning of World War II is rapidly changing to a buyers' market, and this change offers a challenge to private competitive enterprise which can and will be met. The true growth of our national economy has been based on the production of better goods and lower prices and in competitive selling to make these goods available to the greatest possible number of our people. This has been almost unattainable in any plan based on economics of scarcity.



Jack G. Holtzclaw

The growth of new, diversified industry in the South, in fine new plants, operated by workers with a personal interest in making these plants efficient, has placed this section in a particularly advantageous position in such competitive markets. The South itself, with a great increase in population and a steadily rising per capita income, is a huge market for the goods produced here, and many of the new industries which have located here have been oriented to this demand for new products.

A fine indication of Southern progress is shown in the expansion of research facilities, both public and private, devoted to finding new uses for the tremendous natural resources of the area, both mineral and agricultural. New uses for older materials, plus the discovery of new resources have shown the basic value of research and study in the universities, the consulting laboratories and the research departments of our industrial plants.

One of the great values of the greatly increasing tourist trade in the South has been that, through visits on pleasure, more and more people have seen for themselves the potential for commercial and industrial growth in this section. Results from such personal investigations have been great, and future prospects are untold.

The electric utilities construction program of new generation and transmission facilities reflects the confidence of the utilities in the continued industrial expansion in the South. Generating stations, high-voltage large-capacity transmission lines and substations must be planned well in advance and are indicative of the electric industry's confidence in the anticipated growth in the area. For example, recent estimates indicate that in the 14 Southern states, at the end of 1956 there will be three and one-half times the installed capacity to serve the electric needs of the area than was available at the end of World War II. To furnish this capacity to serve the growing South, over $4 billion will be invested by the privately owned utilities.

JOHN JAY HOPKINS

Chairman and President, General Dynamics Corporation

A survey of the accomplishments of the past year and the expectations of the coming year indicates, I believe, that General Dynamics Corporation, as with the country in general, is working into a new period of stability based on sensible long-range defense planning. Stable defense business serves our internal economy and it is our sound internal economy that provides the framework for our external security. This new period of stability, marked by confidence, appropriate growth, and an increasing sense of purpose, will allow our adaptive and inventive talents full play.

John Jay Hopkins

On January 21—under the sponsorship of our nation's First Lady, Mrs. Dwight D. Eisenhower—General Dynamics will launch the world's first atomic powered vessel. This unique and historic ship, the "Nautilus," has already become the symbol of the atom's coming of age—bringing in a new era of war, or of peace.

Continued on page 70

Detroit Stock Exch. Elects Officers

L. H. Dilworth

Ralph Rotsted

Warren A. Wood

DETROIT, Mich. — The Detroit Stock Exchange announces the election of the following officers for 1954:

President — Lawrence H. Dilworth, R. C. O'Donnell & Company.

Vice-President—Ralph Rotsted, F. J. Winckler Company.

Treasurer — Warren A. Wood, Baker, Simonds & Company.

Announcement was also made of the reappointment of Fred J. Oppat as Secretary and Examiner.

Governors elected to the board for a three-year term are: Lawrence H. Dilworth, R. C. O'Donnell & Company; Raymond W. Miottel, Paine, Webber, Jackson & Curtis; Warren A. Wood, Baker, Simonds & Company.

Governors elected to the board for a two-year term: Roy W. Neil, Reid, Higbie & Company.

Other Governors making up the board are Charles Errol Exley of Charles A. Parcells & Company, George A. McDowell of Straus, Blosser & McDowell, whose terms expire in 1955, and Edward T. Bennett, Jr. of Manley, Bennett & Company, Warren T. Olson of Wm. C. Roney & Company, whose terms expire in 1956. Edward C. P. Davis and William A. Walker of Dickinson, Wright, Davis, McKean and Cudlip will continue as Counsel and Edwin Bower of White, Bower & Prevo will continue as Auditor.

Elected to the Nominating Committee for 1954 are:

Howard F. Carr, Carr & Company; Samuel Hague, Smith, Hague, Noble & Company; Reginald MacArthur, Kenower, MacArthur & Company; George A. Miller, Ferriss, Wagner & Miller, and Raymond C. O'Donnell, R. C. O'Donnell & Company.

Fred Marshall With Stuart G. Whittelsey

LOS ANGELES, Calif.—Fred A. Marshall, for years active in the wholesale distribution of mutual funds, has been appointed resident manager in Los Angeles for Stuart G. Whittelsey, western wholesale distributor of The Value Line Fund, Inc. and The Value Line Income Fund, Inc. Mr. Marshall's territory will comprise Southern California and Arizona. He has been active in the financial field since graduating from Stanford University.

The Whittelsey firm maintains its Los Angeles office at 639 South Spring Street.

Pyne, Kendall Admitting

Pyne, Kendall & Hollister, 52 Wall Street, New York City, members of the New York Stock Exchange, on Feb. 1, will admit William B. Meloney to limited partnership in the firm.

New York Stock Exchange Weekly Firm Changes

The New York Stock Exchange has reported the following firm changes: Edward G. Maqueston will retire from limited partnership in Halladay & Co. Jan. 31. Max Schwartz will withdraw from partnership in Tobey & Kirk Jan. 31.

Livingstone Crouse Adds

(Special to The Financial Chronicle)

DETROIT, Mich. — James S. Irwin has been added to the staff of S. R. Livingstone, Crouse & Co., Penobscot Building, members of the Detroit Stock Exchange.

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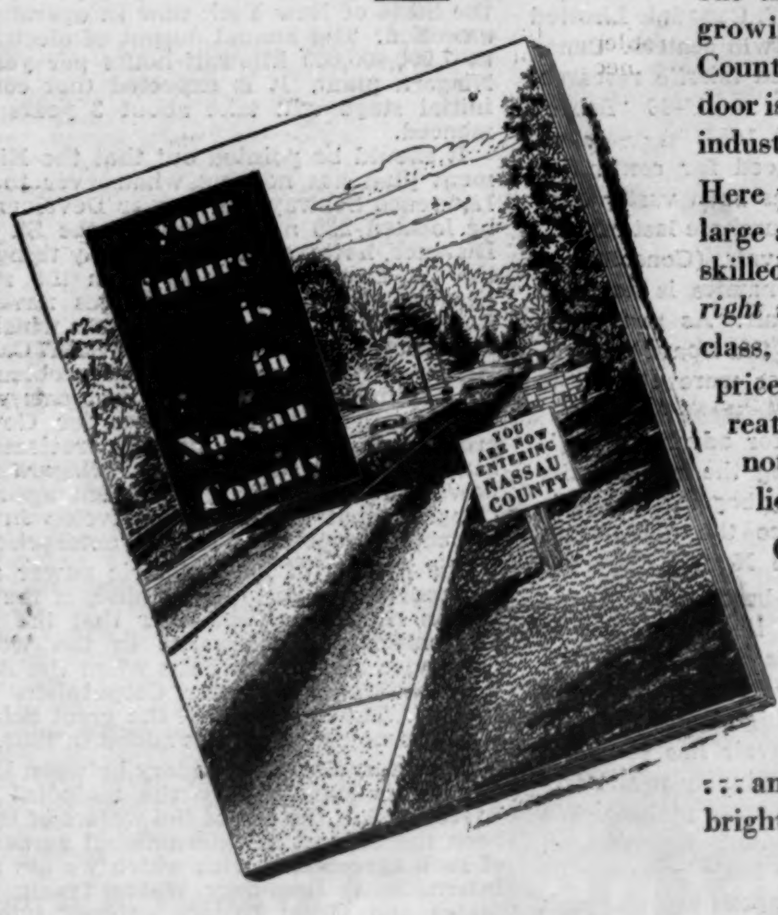

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LONG ISLAND LIGHTING COMPANY

Industrial Development Department

250 Old Country Road, Mineola, Long Island, N. Y.

Continued from page 69

On Sept. 15, last, the Secretary of the Navy, Robert B. Anderson, initialed the keel-plate of the "Sea Wolf," at our Electric Boat Division's shipyard in Groton, Conn. The "Sea Wolf," America's second nuclear-powered submarine, will incorporate a type of reactor different from that which will propel the "Nautilus."

Also at Electric Boat Division in 1953, we launched for the Republic of Peru one conventionally powered submarine; and are rapidly bringing a second to its final stages. In addition, we brought to completion a new concept in submarine design with the launching and delivery to the United States Navy of two target-trainer class submarines. Smallest submarines built for the U. S. Navy since 1907, only 131 feet long, these new type ships are designed for the economical training of submarine crews and anti-submarine forces. These trainers indicate the Navy's appreciation of the important role submarines play in the nation's defenses.

Many major maintenance and conversion projects were also completed during the past year. Two World War II fleet submarines were converted to "Killer" submarines; three other World War II boats were modernized and two submarines in the reserve fleet received five-year overhauls. Recently, the Division commenced a specialized manufacturing job in the nuclear energy field for the Atomic Energy Commission's Hanford Plant in Richland, Wash.

During 1953, the corporation's Electro Dynamic Division, producing electric motors and generators, continued its drive into the industrial electric motor market. Backed by a strong advertising and sales promotion program, an expanding sales force confidently expects to demonstrate that the Electro Dynamic motors which have become a symbol of "extra dependability" in the world of ships are deserving of equal acceptance by industrial users.

In the manufacture of aircraft—another area of the defense needs of the free world in which General Dynamics plays an important role—the corporation has strengthened its organization and further demonstrated engineering ability and manufacturing capability. Recently, the Canadian Department of Defense and Department of Defense Production have approved a program under which our Canadian subsidiary, Canadair Limited of Montreal, will carry out further studies that may lead to the adaptation of the Bristol 175 "Britannia" for use by the Royal Canadian Air Force in a maritime reconnaissance role. This can reasonably be expected to lead to a production contract.

Canadair Limited, which has built over 800 F-86 "Sabre" jets for the air forces of the free world, is continuing quantity production of this battle-proven fighter. During the recent year the Canadian Government placed an order for additional "Sabres" which, together with present delivery schedules, should assure maintenance of Canadair's production lines through 1954.

Since the acceptance by the RCAF of the first T-33 Silver Star jet trainer on Feb. 12, 1953, Canadair Limited has produced more than 150 of the twin seaters. Canadair continues also to conduct guided missile research. The first successful launching from an F-86 "Sabre" aircraft in flight was made in August, 1953.

The corporation's belief in the need for continuing soundly based defense production has been vastly augmented in the airframe field by our purchase last May 15 of some 17% of the stock of Convair (Consolidated Vultee Aircraft Corp.). General Dynamics is now the largest single share owner of Convair. As previously reported, I was elected Chairman of the Board of Convair and General Dynamics nominees were elected to the Convair Board of Directors.

Holding a world-wide reputation for advanced engineering and a leading position among the world's airframe manufacturers, Convair recently began flight testing for the United States Air Force the delta-wing, supersonic, interceptor YF-102. The Navy's F2Y, the world's first very high-speed water-based fighter, designed and built by Convair, made its first flight in April, 1953. Equipped with hydro-skis, which give it an extremely high degree of mobility, it thus affords the Navy a weapons-potential of a very high order.

Acquisition of this interest in Convair has provided General Dynamics with a unique opportunity to participate in the free world's long-range defense picture. We believe that two of the principal products we produce, submarines and aircraft, are the two basic weapons of the future. We believe that these weapons are weapons of peace, for our continuing supremacy in the air and under the sea will be the greatest deterrent to aggression against ourselves and other nations which desire to live in peace with the world.

In the coming year we can expect that General Dynamics Corp. will continue to add to its inspiring history of notable achievements in many fields—and that the nation and our share owners will continue to be proud of our activities.

ERNEST J. HOWE

Vice-President and Comptroller, Rochester Gas & Electric Corp.

The year 1953 has been a good one for Rochester Gas and Electric Corporation, and in view of the stability and prosperity of the territory served, it is confidently expected that 1954 will also yield satisfactory results. Among the good prospects for 1954 is the hope and confidence that Congress will enact legislation in 1954 which will be generally beneficial to business enterprise including the public utility business. One of the most constructive pieces of proposed legislation in this category is the private enterprise bill to permit the redevelopment of Niagara Falls for electric power purposes. This bill was passed by the House of Representatives in 1953 and is expected to be considered by the Senate early in 1954. In view of the broad national significance of this legislation it may be desirable briefly to state the proposal and comment upon the opposition to it which has appeared from the advocates of government ownership and operation of hydroelectric power projects.

Ernest J. Howe

There is no controversy about the plan of construction which is proposed. It is generally agreed that the physical plan involved is the most efficient way of developing hydroelectric power at Niagara and that the beauty of the Falls will be fully protected. The issue is simply whether the development is to be made by the Federal Government, or by the Power Authority of the State of New York, or by private enterprise.

The physical construction plan was worked out in its principal aspects about 25 years ago by Niagara Falls Power Company. These plans have been subsequently studied and restudied but remain essentially as they were originally proposed. Three steps are involved. The first is the construction of tunnels five miles long from Connors Island above the Falls to a new power station to be located at Lewiston, N. Y., where the Niagara River empties into Lake Ontario. The second step involves the construction of a pumping station at Lewiston, N. Y., by means of which water may be pumped into a storage reservoir above the plant. The purpose of this reservoir is to permit the storage of water in periods when electrical demand is not at its peak such as at night so that the water may be drawn down in the daytime and at other times of need to supplement the power otherwise available. The third step takes the water used by the Schoellkopf plant of Niagara Mohawk Power Corporation at the base of the Falls and carries it by tunnels to the proposed Lewiston plant at the mouth of Lake Ontario. The total usable head from the proposed Connors Island intake above the Falls to the Lewiston plant is about 314 feet. The total construction cost of the entire project is estimated at approximately $400 million. This cost compares with the 1953 construction program of private enterprise utilities in New York State of $220 million. The new plant will add about 1,100,000 kilowatts of dependable capacity or approximately 14% of the capacity of private utilities in the State of New York now in operation or under construction. The annual output of electricity is estimated at 7,900,000,000 kilowatt-hours per year from the new Niagara plant. It is expected that construction of the initial stage will take about 3 years after it is commenced.

It should be pointed out that the Niagara redevelopment plan has nothing whatsoever to do with the St. Lawrence Seaway and Power Development which is to be located 250 miles away on the St. Lawrence River. Distance, however, is not the only thing which separates the St. Lawrence project from the redevelopment of Niagara. St. Lawrence involves navigation, shoreline flooding, river channels, and dams which must be jointly constructed by United States and Canadian agencies. Niagara involves none of these problems, nor of course does it involve any of the problems which have been used as the classical excuses for Government power projects in the past; namely, reclamation, irrigation, sanitation, and such matters. Niagara is the first pure power project which government agencies are seeking Congressional authority to develop in opposition to a perfected proposal of private enterprise.

The history of hydroelectric power at Niagara Falls is important to an understanding of the situation. Many people no longer remember that the first large scale hydroelectric development in the world was placed in service at Niagara Falls when the Adams Station of Niagara Mohawk Power Corporation began operation in 1895. The first unit of the great Schoellkopf Station of the same company was added in 1903.

The international boundary between United States and Canada is substantially the midpoint of the Niagara River, so that the use of the waters of the river has long been the subject of international agreement. The first, of such agreements with which we are concerned is the International Boundary Water Treaty between United States and Great Britain entered into Jan. 11, 1909. This treaty allocated 20,000 cubic feet of water per second to United States and 36,000 cubic feet per second to Canada. These allocations have been subsequently gradually increased so that a total of 32,500 was allotted to the United States and 54,000 to Canada by the end of 1944.

The Federal Power Commission procedure for licensing hydroelectric developments on navigable rivers commenced in 1921, 26 years after the first hydroelectric power was produced at Niagara. On March second of that year License number 1 was granted to a predecessor of Niagara Mohawk Power Corporation for the operation of stations at Niagara Falls.

The Power Authority Law of the State of New York was enacted by the State in 1931 but as originally adopted applied only to the St. Lawrence power and seaway project.

On Feb. 27, 1950, 55 years after the completion of the Adams hydroelectric station, the United States and Canada signed the Niagara River Treaty making possible additional hydroelectric development on both sides of the river at Niagara Falls. As a result there are now available for additional development (or as they say "re-development") 100,000 cubic feet per second at night and in the non-tourist season, and 50,000 cubic feet per second in the tourist season in the daytime. In approving this treaty in August 1950 the United States Senate attached a proviso which stated that redevelopment of Niagara Falls on the American side might be carried out only when and as authorized by Act of Congress.

In May, 1950, Senator Herbert Lehman and Representative Franklin D. Roosevelt, Jr., introduced bills in the Senate and House of Representatives, respectively providing for redevelopment of Niagara Falls by the Federal Government.

Fearful that the Lehman-Roosevelt bills might be enacted, in March 1951 the New York State legislature amended the New York Power Authority act so as to extend its provisions to Niagara. This move was regarded by private enterprise as a defense against development by the Federal Government and hence met no opposition. In this same month of March 1951 Representative Miller from Niagara Falls introduced a bill in the 82nd Congress calling for redevelopment of hydroelectric power at Niagara Falls by private enterprise. In August 1951 the bills calling for redevelopment by the New York State Power Authority were introduced in the U. S. Senate by Senator Ives and in the House of Representatives by Representative Cole of Bath, New York. The three-way battle was now joined but no action was taken by the 82nd Congress. This of course was the final session of Congress during the Truman administration.

All three bills were submitted to the 83rd Congress in 1953 and were first considered by the Public Works Committee of the House of Representatives. This Committee reported out the private enterprise bill. On the floor of the House the vote in favor of the private enterprise bill was 262 to 120. It is now before the Public Works Committee of the U. S. Senate. Hearings, which commenced before Congress recessed, are expected to be resumed in 1954.

The issues which have been brought out in the three-cornered debate which has been involved are interesting. The advocates of both Federal and State development base their arguments on claims of cheap power. The Lehman-Roosevelt bill for Federal development would have the project constructed and operated by the Federal Government, while the New York State sponsored bill would have it constructed and operated by the New York State Power Authority. Otherwise the only discernible distinction is that the Federal advocates would distribute the tax avoiding electric power to so-called preference customers such as municipalities which also avoid taxes at the distribution level while the New York State Power Authority backers say that they would sell to the established private enterprise utilities without according any preference to tax avoiding distributors. The New York State Power Authority statute however says that the Authority also may build transmission lines and sell to any one they please.

The cheap power argument is of course a 20th century opportunity to sell our birthright for a mess of wattage. The power of an unregulated, uncurbed, self-governing and self-perpetuating Federal or State bureau to supply or withhold electricity, depending on its whims, political motives, or inherent inefficiencies, is an intolerable threat to our freedom and to our productivity. The price of electricity, like the price of water, is always a factor to be considered but it is vastly less important than the presence of an adequate and reliable supply. Everybody knows that the power-shortage areas of the Nation in recent years have been the public power areas. The Government is not going to produce power more efficiently or more cheaply than experienced business-managed companies who have been in the electrical business for years and years. The only way that the Government (State or Federal) can offer cheaper power is to make the rest of the citizens pay part of the power bill through taxes.

The alleged advantage to be obtained by shifting part of the just cost of electricity from the user to the taxpayer through tax avoidance is an illusion. Look at the financial plight of New York City, resulting from taking over the subways and buslines. With the progressive absorption of functions better provided by private enterprise, the City's financial condition has become worse and worse. So it may be with our national economy if government-fostered tax avoidance becomes a policy and a virtue. Such tax avoidance is simply a form of tax discrimination. Each such discrimination spawns demands for other discriminations or handouts until we shall become helpless in the tightening web of political pressures. The average electric bill in the United States is about 17 cents per day per family. The average tax bill (including direct and indirect taxes) is over $5 per day per family. Why strain at a gnat and swallow a camel.

Governor Dewey has declared that the saving from tax avoidance in operations and on interest would be $31 million per year at Niagara. Of this, approximately $9,500,000 is Federal taxes; $9,000,000 City, Town, and local taxes; and $4,500,000 State taxes. This adds up to $23 million. Now the balance of $8 million which goes to make up the $31 million represents 2% on the $400 million construction cost involved in the Niagara rede-

velopment program. This $8 million represents the Governor's estimate of the difference between financing with tax-free bonds and what financing would cost tax paying free enterprise for its financing.

So far as the $23 million goes there is no saving. The burden is simply shifted to the taxpayers. The remaining $8 million is no saving either; it is simply another means of tax avoidance in interest cost instead of operating expense.

With these large tax avoidance (available in about the same degree under either Federal or State operation) we should expect in areas which have been financed and operated by the Government to be much lower than rates of private utilities. But Government waste and inefficiency is a heavy burden on cost.

The Federal Government has paid over $1¼ billion to TVA to subsidize it. Yet power rates for industry in the TVA area are not as low as they are in the Niagara frontier where utilities are paying many millions of dollars in taxes. In the Niagara frontier, commercial and industrial rates are 6.7 mills per kilowatt-hour; the average of the TVA is 7.4 mills per kilowatt-hour and in the City of Memphis 9.6 mills per kw.-hr. The average farm rate in the United States is 3c per kw.-hr. nI the Niagara frontier, it is 2 cents.

It has been claimed that, in the absence of subsidized electric rates in this area, the economy of the State may deteriorate. Electric rates in upstate New York are below the national average, consumption above the national average, and farm usage is substantially above that in the TVA area. Does this sound like deterioration? Compare the extensive industrial development of the Niagara area under private enterprise with the TVA area with all its subsidies. There is no need for subsidies for power in the State of New York.

Hydroelectric generation in the United States is about 24% of total generation. About one-half of this, or 12% of the total, is tax-subsidized. Should all other hydropower be subsidized? Should steam power be subsidized too? If the reasoning were sound then subsidy would be due the remaining 88% and at that point there would be a completely government-owned industry.

Private operation will mean lower real costs. Private operation means operation carried on under the scrutiny of the Federal Power Commission and the Public Service Commission of the State of New York and management by utility companies which now serve most of the State. Hydropower began on a large scale in New York State at Niagara Falls 58 years ago. It has always been operated predominately by private enterprise. Private enterprise conceived the idea of the remedial works to preserve the beauty of the Falls. Private enterprise proposed the redevelopment program. Private enterprise designed the proposed plants. Private enterprise owns the land and has the riparian rights for the development. Private enterprise has a market for the power. Private enterprise has the interconnected facilities through which to deliver it. Private enterprise is ready, willing, and able to go ahead. Are we going to turn this vital operation over to an inexperienced and unregulated bureaucracy?

Let up hope that the new enlightenment evidenced in the House of Representatives will have penetrated the United States Senate to a degree sufficient for the enactment of the private enterprise bill on Niagara. This outcome would be a fitting end to a quarter century during which governmental restriction has prevented the useful application of these excess waters and permitted them instead to flow idly to the sea.

AUGUST IHLEFELD

President, Savings Banks Trust Co., New York City

The mutual savings banks of the country look forward with confidence to the prospect of another year of healthy deposit growth in 1954, despite the indications of a moderate recession in business and employment. They expect to find adequate investment outlets for new deposits in real estate mortgage lending and in corporate securities.

August Ihlefeld

The desire for personal economic security grows stronger in the face of economic uncertainties. Hence, even if there should be some decline in national income, savings should be sustained at a high level because many people will seek to put away for the future a larger share of their current incomes.

Savings banks may be able to increase their share of the nation's savings in 1954, as they did last year. The very high degree of safety and liquidity provided by mutual savings banks make them a favored haven for savings in periods of economic readjustment. The convenience and attractiveness of savings in mutual savings banks is also being enhanced by the opening of new branches, by the development of new services to depositors, and by the rising average rate of return paid on deposits.

Among the investment outlets of mutual savings banks, first mortgages on real estate will continue to hold the primary place this year, there is every reason to believe. The mutual savings banks as a group favor mortgages guaranteed by the Veterans Administration and insured by the Federal Housing Administration, because of the added protection they enjoy. Pending proposals to broaden the use of insured mortgages and to end artificial

Continued on page 72

Pierce Heads Fund Drive Division

Edward Allen Pierce, partner of Merrill Lynch, Pierce, Fenner & Beane, has accepted the chairmanship of the Exchange Division of the 1954 Development Fund Drive of the New York Arthritis and Rheumatism Foundation, it was announced by William Holmes, general campaign chairman.

Edward A. Pierce

"In New York City," Mr. Pierce said. "$500,000 is being sought by the New York Arthritis and Rheumatism Foundation. It is needed to continue the Foundation's program of establishing and supporting clinics, conducting research in causes and relief of arthritis, rehabilitation of those crippled by this disease, and promoting medical and public information.

"In New York, this five year old agency," Mr. Pierce added, "has established nine new clinics, and contributes to the support of more than half of the city's 44 arthritis clinics. It has sponsored numerous research projects, provided doctors with the latest information on advances in the rheumatic disease field. At the same time it has given advice and guidance to thousands of the 500,000 New Yorkers who suffer from rheumatic disease.

"Continued support of the Foundation is a must if it is to carry on its program of aiding those now suffering from this form of disease and of eventually finding a cure."

Irving Stein Joins Greene & Co. Staff

Irving Stein

Greene and Company, 37 Wall Street, New York City, announce the expansion of their trading activities and the association with them of Irving Stein. Mr. Stein will specialize in low-priced oil, mining and industrial securities, as he has done heretofore for many years.

Liphardt Chicago Mgr. For Milwaukee Co.

CHICAGO, Ill. — Joseph T. Johnson, President of The Milwaukee Company, investment banking firm whose principal office is in Milwaukee, with branches in Chicago, St. Paul, Madison and Wausau, announced that Edward W. Liphardt has become associated with The Milwaukee Company as Resident Manager in charge of the Chicago office, 135 South LaSalle Street. Mr. Liphardt is a graduate of Holy Cross College, Worcester, Mass., and served as a Lieutenant in the U. S. Navy during World War II. For seven years prior to his new connection, he was associated with Lee Higginson Corporation, Chicago.

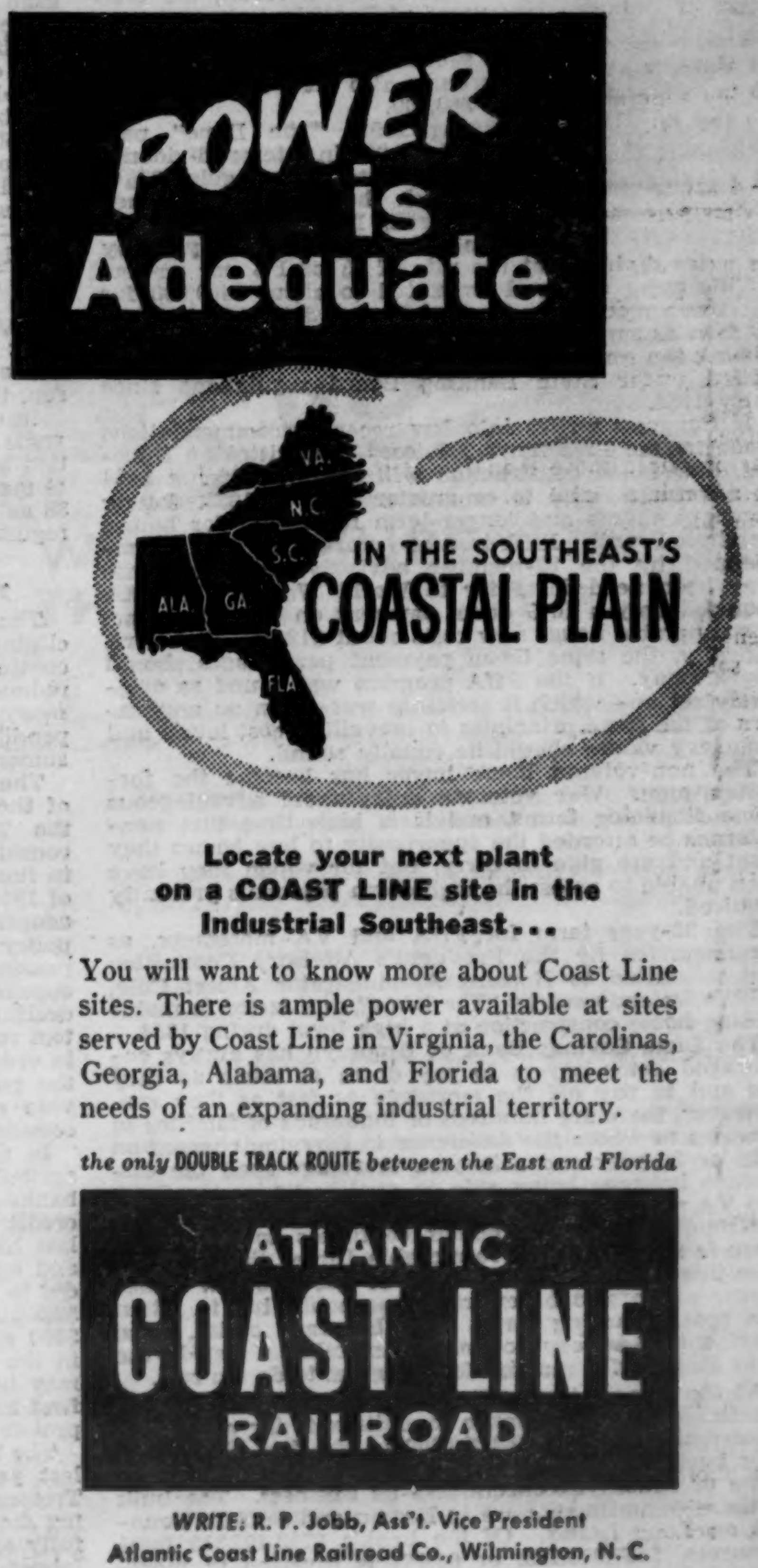
With H. M. Payson Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Maine — Carl H. Whittier has become connected with H. M. Payson & Co., 92 Exchange Street, members of the Boston Stock Exchange.

Form Satnick, Barnett

Satnick, Barnett & Co., Inc. is engaging in a securities business from offices at 50 Broad Street, New York City.



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restrictions on interest rates will help maintain the supply of such investments available to savings banks.

Savings banks have been active buyers of high-grade corporate bonds, and will continue to add to their holdings of these issues as attractive offerings become available.

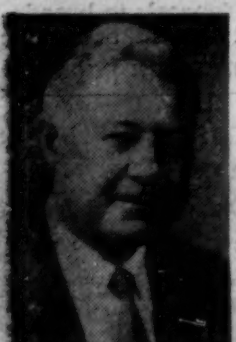
New York savings banks are making cautious use of their authority to invest in equities. While stocks now provide a higher rate of return than is available on other classes of investment, it is recognized that they involve added risk, especially in a period of prosperity when corporate earnings tend to be higher than average, and stock prices rise to reflect higher reported profits. A number of the savings banks of the State are taking steps to minimize the risk in common stock investment through purchasing shares of Institutional Investors Mutual Fund, Inc., an open-end fund owned and operated exclusively by mutual savings banks. Risks are further minimized through spreading purchases of common stocks over a period of years under the principle of dollar averaging.

Investing new deposits in higher yielding mortgages and corporate securities, while keeping virtually intact their holdings of United States Government bonds, is enabling mutual savings banks to pay an adequate return to depositors and, at the same time, to conserve their great strength and liquidity.

GEORGE C. JOHNSON

President, The Dime Savings Bank of Brooklyn, New York

Personal savings are at an all-time high, and there is every indication that they will continue so in 1954. Even though gross income may be somewhat reduced, the proportion finding its way into savings accounts will not be affected. A higher rate of return to despositors may encourage an ever higher level of savings.



George C. Johnson

During the past year, deposits in "The Dime" increased by $27,800,000 to a new record high of over $619,500,000. As a result, the total resources of Brooklyn's largest saving bank reached an all-time peak of over $703,400,000.

Accounts also set a new record of over 300,000.

During 1953, "The Dime" paid over $15,289,000 in interest dividends to its depositors. The regular 2½% rate which has been maintained since March, 1952, was augmented in the last quarter of the year by an extra dividend at the rate of ¼ of 1% per annum. This extra dividend amounted to about $400,000 for the three months, and was announced by "The Dime" as soon as supervisory requirements could be met, following the removal of the 2½% ceiling which had prevailed under State Banking Board regulations since early 1952.

If Congress writes into law recent recommendations made by the President's Advisory Committee on Housing, new home construction will continue during 1954 at a volume equal to or greater than in 1953. Lower down payments and longer-term mortgages for homes purchased with FHA-insured mortgages, as recommended by the 22-member advisory committee, has long been needed. Prior to World War II, the FHA required only a 10% down payment on a $6,000 home. A comparable house now costs about $12,000. Therefore, logically, the same down payment percentages should apply today. If the FHA program was sound as originally set up—which it certainly was—then an application of the same principles to prevailing cost levels and monetary values should be equally sound.

The non-veteran home buyer has become the forgotten man. War veterans enjoy most advantageous home financing terms, and it is high time that non-veterans be afforded the opportunity to buy homes they want and are able to carry, but for which they have been unable to amass the high down payments presently required.

The 30-year term for FHA and VA mortgages, as recommended by the President's Advisory Committee and submitted to Housing Administrator Albert Cole, is likewise endorsed by "The Dime" as a factor in maintaining home construction at a high level during 1954.

The Dime Savings Bank of Brooklyn has always encouraged home-buyers to pay down as much as they can and to pay off the mortgage as fast as they can. However, there are hundreds of thousands of families in America to whom the difference in carrying charges on a 20 or 25-year and a 30-year mortgage spell the difference between being able to qualify under the FHA and VA programs and not being able to qualify.

Strong demand for homes continues to exist, and there is nothing in the foreseeable future that will reduce this demand. The estimate of 1,000,000 new homes a year appears to be entirely reasonable, but to attain this goal, financing terms must be made easier. The President's Advisory Committee has taken a step in the right direction. It remains for Congress to do the rest.

At the present time, "The Dime" has outstanding approximately 12,500 advance commitments for new home construction totaling $80,000,000 in the five New York City boroughs and three other counties in which The Dime of Brooklyn concentrates its business. The bulk of these commitments are in Nassau and Suffolk Counties on Long Island. Of the bank's $703,495,310 total resources, $437,916,150, or 62.4% is invested in mortgages. This compares with the national average of 46.3% for savings banks. Nearly 40% of the bank's total mortgage portfolio consists of home loans to war veterans. Of more than 21,000 GI loans made by The Dime of Brooklyn in the past 10 years, it has been necessary to foreclose only 91.

For a continuance of a high volume of home building during 1954, much depends upon the availability of mortgage money. An efficiently-functioning secondary mortgage market is needed for lenders in certain sections of the country, and more mortgage money would be available if local lenders would recognize the fact that they owe a responsibility to their home communities and territory immediately adjacent.

A mortgage lender should support in every way possible the orderly and continued growth of his community, even if the yield is not quite so great as could be obtained elsewhere or in other types of investment. The support of an active home building industry in any community, whether it be a small town or a large city, is the soundest contribution to the economy that can be made by any bank.

Large nationwide lenders provide a vital and necessary service to the building business and the home-buying public, since they give support to communities which do not enjoy adequate mortgage lending facilities. However, any lender of a purely local nature should meet the needs of his own community first before going far afield in search of more attractive investments. If all would follow that policy, we would see the mortgage situation considerably relieved.

Greater use of the open-end mortgage in 1954 also would provide funds for millions of dollars worth of repair, improvement and enlargement of existing homes. One of the recommendations of the President's Advisory Committee on Houising is that the FHA permit use of the open-end clause in its mortgage insurance contracts.

Basically an open-end mortgage is one under which future borrowings are secured by the original mortgage after its principal amount has been reduced by $500 or more. Payments on the additional borrowing are spread over the period the mortgage has yet to run. Lenders in many sections of the country have been writing open-end clauses into their conventional mortgage instruments for several years, but the FHA does not permit this procedure, although the VA does under specific conditions.

In our own area, we know that hundreds of thousands of dollars in needed and desirable improvement of existing homes is being held up because home owners are unable to carry short-term conventional Title I modernization loans with high monthly payments. I understand a similar situation exists in all other sections of the country. This work could proceed, however, if the open-end clause were applied, since payments on the re-advance are considerably less than on a three-year Title I modernization loan.

As a comparison, a Title I FHA modernization loan of $1,000 at 5% for three years calls for a monthly payment of $31.94. For the same amount under an open-end advance on a mortgage that still has 15 years to run, the monthly payment is only $7.91.

In countless cases, this $24 per month difference prevents the borrower from obtaining a Title I modernization loan simply because his income is not large enough to meet that additional outlay, whereas the approximate $8 as repayment on his open-end advance, added to his regular mortgage payment, would work no hardship.

GALE F. JOHNSTON

President, Mercantile Trust Co., St. Louis, Mo.

The level of industrial activity has been slowly declining since the middle of 1953 and it is expected to continue to fall in the first half of 1954 as the result of reduced governmental expenditures, expenditures for new plant and equipment, and expenditures for some durable consumers' goods.

Gale F. Johnston

The monetary and fiscal policies of the Federal Reserve System and the Treasury Department exerted considerable influence upon trends in finance in 1953. In the first half of 1953, the Federal Reserve System adopted a relatively "tight" money policy in order to restrain the expansion of credit. When it became apparent that business activity was declining, the Federal Reserve System relaxed its "tight" money policy in order to provide funds to finance the government deficit and to provide credit to meet the needs of commerce and industry.

In the first half of 1953, commerical, industrial, and agricultural loans of the weekly reporting member banks declined less than seasonally, although instalment credit was apparently expanding more rapidly. In the last half of the year, however, commercial, industrial, and agricultural loans failed to rise as rapidly as they did in the last half of 1952. In 1952 they rose by about $2.5 billion while in the last half of 1953 they rose only $600 million. Commercial loans will probably decline in the first half of the year, although some companies may be forced to borrow to make tax payments in the first and second quarters. The demand for funds will probably be less than it was in the first half of 1953.

The Treasury adopted a number of new policies in the last year which affected banking and finance. The Treasury was confronted with a large volume of maturing short-term securities and efforts were made successfully to refund a part of these maturing securities into longer-term securities. It is clear that additional efforts to refund the public debt into longer-term securities will be made in 1954.

If business activity continues to decline slowly in the first half of 1954, considerable attention will be directed to the counter-deflationary measures to be proposed by the Federal government. Many measures designed to stimulate industrial activity, to solve the farm problem, to lessen the degree of unemployment, and to increase the level of foreign trade will unquestionably be discussed by Congress in the forthcoming months. While it is inadvisable for business men to anticipate that the Federal government can exercise its power to offset completely the downward trend in industrial activity, it should be recognized that the government exercises considerable power. Business men, therefore, should study carefully the measures which are adopted in order to anticipate their effects upon specific sectors of the industrial economy.

P. W. JOHNSTON

President, Erie Railroad Co.

The productive capacity of the American industrial machine is greater today than at any time in the nation's history. The railroads, too, have kept pace as a result of spending more than $9 billion since the end of World War II for modernizing and improving their equipment and facilities. Railroad properties have been strengthened and their physical condition is at an all-time high. They will continue to invest huge sums of money for capital improvements in the next few years although at a somewhat lower rate. Included will be such things as diesel locomotives, freight cars, yards, terminals, signals and the many other items that add up to more efficient and progressive railroading.

P. W. Johnston

Like other industries who have built up their capacity to produce, the railroads will have to do some hard selling to fully utilize their facilities. Railroad freight car loadings are one of the more important factors in evaluating the economic weather. While this barometer has been falling in recent months, I see no reason to "raise the storm warnings" or "man the life boats." The biggest problem will be to reset our sights. All business has been increasing at such a rapid rate in the past several years that any downward readjustment will be difficult to make. Yet even the more pessimistic forecasts of business activity predict levels higher than in 1949, which many considered a fairly good year. A moderate decline, however, will present a new challenge to business management to find ways and means to cope with the changing conditions.

In the railroad industry, there will be greater emphasis on improving service and adjusting prices to stimulate sales and meet competition. Continued efforts will be made to produce additional operating economies to preserve and increase net earnings. The extent to which this will be possible depends a great deal on the outcome of present demands of railroad labor unions for increased wage rates and other work benefits.

On the Erie, we are tentatively forecasting a 7½% decline in freight ton miles for 1954 compared with 1953. This would still exceed the 1950 level in terms of gross revenues which, up to that time, was one of the best years in the company's history. In the meantime, of course, operating costs have gone up, principally in wages, which now consume about 50% of our total revenue dollar. We are proposing to carry on an adequate maintenance program to keep the property in good operating condition. With the full benefit of a completely diesel powered railroad, we will continue to take advantage of every opportunity to control expenses and effect savings in order to offset, as much as possible, the decline in freight volume.

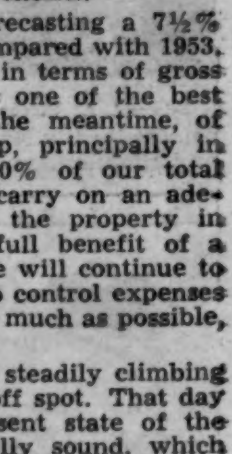
It was inevitable that some day the steadily climbing business spiral would find a leveling-off spot. That day now seems to be at hand. The present state of the nation's economy, however, is basically sound, which makes me confident that this will be only a temporary readjustment. With our growing population and the development of new products and markets to satisfy their needs and wants, the business cycle is destined to resume its upward climb and go higher in the years to come.

DWIGHT P. JOYCE

President, The Glidden Co.

The current year should be one of further growth for the Glidden Company and for the industries in which our various manufacturing divisions operate.

The new calendar year finds the company operating on a higher sales and financial plateau than at this time in 1953. Dollar sales so far this fiscal year (beginning November 1, 1953) are 5% ahead of the same period of the preceding year. Inventories are in excellent balance in relation to sales, and net worth of the company continues to expand, reaching a new peak of $74,324,321 as of October 31, 1953.



Dwight P. Joyce

Based on our present knowledge and surveys of markets, there is every indication that painter and home-owner purchases of paints and varnishes in 1954 will at least equal this year's all-time high record for both dollar and unit volume, con-

tinuing the steady upward trend which got under way immediately after World War II.

Glidden expects to obtain its share of this further growth, just as we anticipate receiving our share of the greater potential we see for foods, vegetable oils, chemicals, pigments, and metals—all of which provide the company with sizable proportions of its annual sales dollar.

The continued upswing in consumer product sales is predicated primarily on the simple, basic forecast of future population growth. We look for a steady increase in family units in the next five years, with its commensurate effect on demand for all goods. This is very encouraging to us at Glidden, with our diversification of products dealing in the basic needs of both the consumer and industry.

Meanwhile, the sections of the economy in which we operate have been expanding at a good rate in the last five years. Evidence of our capitalization on this expansion is found in the unit sales of Glidden, which last year rose 4% over 1952.

Glidden has already embarked on a new expansion phase with additions to its paint manufacturing facilities at the Cleveland plant and the construction of a new paint plant in Montreal, Canada, and a new laboratory building in Toronto. We have also doubled our grain storage capacity at our vegetable oil crushing plant at Indianapolis.

The company is also pursuing an intensive research and development program in each of its 28 laboratories. Special attention is being given to greater utilization of soybean derivatives and to expanding edible oil research for the Durkee Famous Foods Division.

This very important division of the company, aided by several new items in the margarine, shortening, spice and condiment fields, has been expanded recently by the addition of new facilities at three of its seven plants. Further expansion is anticipated for this division to take care of expected new gains in margarine and vegetable oil sales.

The Glidden Company's confidence, of course, is well rooted in its experience, which has proved the great value of diversification. Glidden is composed of eight major product divisions: Paint and Varnish, Durkee Famous Foods, Chemicals-Pigments-Metals, Naval Stores, Minerals, Soya Products, Animal Feeds, and Vegetable Oils. Even if there is a slackening in one or more of these, experience has proven that gains in increases in the others are more than an offset.

We have definite confidence in the soundness of the economy for 1954.

CHARLES A. KANTER

Chairman of the Board,
Manufacturers National Bank of Detroit

In 1953, Michigan banks, based on preliminary figures, passed the $7 billion mark in resources, and Detroit's seven banks reached a figure of $3.87 billion. This latter figure compares with $3.69 billion at the end of 1952. More significant was the increase in loans and discounts in Detroit of $78.3 million, not including real estate loans which were also higher by about $28.4 million. Bank debits reached an all time high in 1953 and the increase over 1952 was substantially higher than the average increase registered by other reporting cities in the United States, thereby giving the area a firmer hold on its Number 3 rating in the nation.

Charles A. Kanter

Several economic variables bear on the banking outlook during 1954. Last year was a transitional year and it appears that 1954 will be a period of normal readjustment between supply and demand. Mid-1953 marked a change in Federal Reserve credit policy from restriction to moderate ease, followed by a major reversal of interest rates. Clearly, government monetary policies can be depended on to favor business stability. Corporations generally are in good financial condition and with the elimination of the excess profits tax, the decline in inventory borrowing and an increased cash flow to business by accelerated amortization and depreciation, loan demand should lessen. Federal spending will be off slightly, probably to be offset by higher local government budgets. Industry surveys point to well-sustained capital budgets. The chief uncertainty, therefore, lies in whether consumers will utilize their very large liquid resources to maintain their spendings.

The consensus is that industrial production in 1954 will be down between 5% and 10% and that national income and gross national product will be unchanged to about 4% lower. Also, the feeling is that the wholesale commodity price index will not be up much more than 3% and that the consumer price index will tend to level off. It is estimated that new plant and equipment expenditures will be down less than 6% and that automobile production, an important factor in this area, will be down no more than 15%.

Based on the above, commercial banking might be affected in the following ways:

Total loans may average about 5% below the 1953 level, or slightly less than the decline in production; total investment would be increased by roughly the amount of the loan shrinkage, plus such portion of the Treasury cash deficit as may be financed through the banks; total deposits might therefore be expected to remain fairly stable, assuming that banks continue to utilize rather fully the reserves made available by Federal Reserve action; interest rates, both on loans and investments, should be much more stable than in 1953 at levels moderately below those currently prevailing.

Continued on page 74

NASD District No. 11 Elects Officers

WASHINGTON, D. C. — The members of District No. 11 of the National Association of Securities Dealers, Inc. recently elected: Arthur L. Baney, E. R. Jones & Company, Baltimore, Md. and William W. Mackall, Mackall & Coe, Washington, D. C. to the District Committee, representing the securities industry in this area for a term of three years to fill the vacancies created by the expiration of the terms of Charles P. Lukens, Jr., Robinson & Lukens, Washington, D. C., and George G. Shriver, George G. Shriver & Co., Inc., Baltimore, Md.

G. E. Anderson

At a meeting of the Committee the following officers were elected: Chairman — Glenn E. Anderson, Carolina Securities Corp., Raleigh, N. C., Vice-Chairman—Harvey B. Gram, Jr., Johnston, Lemon & Co., Washington, D. C.

Mr. Anderson takes office as Chairman succeeding Charles P. Lukens, Jr. Mr. L. Victor Seested, 1625 K Street, N. W. Washington, D. C., was elected Secretary of the Committee.

District No. 11 comprises the District of Columbia, and the States of Maryland, Virginia, West Virginia and North Carolina.

The members of this District are represented on the Board of Governors of this Association by Harold C. Patterson, Auchincloss, Parker & Redpath, Washington, D. C.

Analysts to Hear on Competitive Forces

CHICAGO, Ill.—Dr. Richard B. Heflebower, head of the Department of Economics of Northwestern University, will address a joint dinner meeting of the Investment Analysts Society of Chicago and the American Statistical Association, on Jan. 26. Dr. Heflebower's subject will be "How to Study Competitive Forces in an Industry."

The dinner will begin at 5:45, at the Illinois Bell Telephone Company, 20th floor, with the meeting following from 7 to 8:30. Tariff is $1.50 per person.

The Chicago analysts also announce that at their regular luncheon meeting scheduled for Feb. 11, the company featured will be Carrier Corporation.

Semple, Jacobs to Be NYSE Members

ST. LOUIS, Mo. — Arthur W. Ackerman, Leonard Serakoff, and William Stix Friedman, members of the New York Stock Exchange, will become Vice-Presidents of Semple, Jacobs & Co., Inc., 711 Charles Street, and the firm will become members of N. Y. Stock Exchange as of Feb. 1. Semple, Jacobs & Co., Inc. are members of the Midwest Stock Exchange. Other officers are John A. Isaacs, Jr., President, and Melburne M. Taylor, Secretary. Mr. Ackerman, Mr. Serakoff and Mr. Friedman are all partners in Friedman, Brokaw & Co. which will be dissolved as of Feb. 1.

Elliott & Co. to Be Formed in New York

As of Feb. 1, Elliott & Co., members of the New York Stock Exchange, will be formed with offices at 25 Broad Street, New York City. Partners will be Edward L. Elliott, who will acquire a membership in the Exchange, Richard C. Pistell, Edward A. Walsh, general partners, Gustave Ring, William Stix Wasserman, and John H. Van Kirk, limited partners. Mr. Elliott and Mr. Walsh are partners in Van Alstyne, Noel & Co.

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This Company's confidence in the future is founded on these main reasons, which we believe are sound and good.

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2. While we serve about 35% of the state's area, the largest city has less than 100,000 people—there are no congested areas.

3. A high percentage of our $68,000,000 annual revenue—65%—comes from the most stable sources: residential, farm and commercial customers.

4. Industries in the area are diversified and well distributed.

5. Wholesome living and working environment, good labor traditions, the world's greatest market center only hours away—all invite industrial growth.

We are building for the future with a construction program amounting to about $28,000,000 in 1954. The total for the three years ending in 1955 will be about $82,000,000 and for the ten year postwar period more than $200,000,000.

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Continued from page 73

DONALD S. KENNEDY

President, Oklahoma Gas & Electric Co.

Oklahoma Gas & Electric Co. furnishes electric service to a population of approximately one million people in Oklahoma and Western Arkansas. The growth trend of this area has generally followed the strong pattern of the Southwest. Our forecasts indicate a continuation of the trend. Since the end of World War II, the company's kwh sales have increased 91% compared with 78% for the electric utility industry as a whole. The number of customers served by the company has increased 52%, compared with an increase of 38% for the industry.

Donald S. Kennedy

Company sales for 1954 are estimated to be about 8% above 1953, which will be only slightly below the increase for the past year. All classes of retail service are expected to show satisfactory growth. The use of air conditioning will expand in both commercial and residential fields. Also the advantages of electric cooking and the use of other modern electric appliances, along with television, will greatly expand residential sales. The brightness of this picture is clouded only by large increases in gas boiler fuel prices which will have an adverse effect on operating results. These recent increases in fuel prices may force increases in electric rates.

The company expects to spend approximately $20 million on new plant, lines and equipment during 1954, which is the largest construction program in the company's history. This compares with expenditures of $12 million in 1953. The 1954 program includes a 110,000 kw addition to the Mustang Generating Station at Oklahoma City, which will double the capacity of this modern station first placed in operation in the summer of 1950. We estimate load increases of 50% during the next five years. This compares with an actual increase of 70% during the past five years. Other construction will include higher voltage transmission lines and larger substation capacities to meet the increasing demands on the system. There has been a slight slowing down of this growth trend, but we do not believe it indicates an important reversal.

J. P. KILEY

President, Chicago, Milwaukee, St. Paul & Pacific Railroad Company

While we expect a relatively high volume of freight traffic, we believe it will be somewhat less than for 1953.

Notwithstanding the downward trend in production during the last quarter of 1953, we look for some recovery during the first six months of the present year.

John P. Kiley

The railroad industry is presently faced with the demands of labor for increased wage rates, longer vacation periods, and other fringe benefits, and at this time it is difficult to estimate what the final outcome will be.

With reasonably good weather conditions, the agricultural outlook for 1954 in the territory we serve is favorable. Should the Government allot marketing quotas on wheat and corn, the production of these two crops will probably be less in 1954 than in 1953, and to replace the reduced wheat and corn acreage, it is likely, weather permitting, that more oats, barley and soy beans will be grown. We went into the winter with somewhat less sub-soil moisture than desired, but late fall rains and early snowfall has helped the situation to some extent in the Dakotas and Middle West. A large part of the 1953 wheat crop is still under Government loan. Livestock is in good condition and feed supplies are considered fairly ample in our range territory.

Our road property and equipment are in very good shape and we are in a position to handle promptly and efficiently a substantial volume of additional traffic.

MAXWELL C. KING

President, Pacific Finance Corp.

The year 1954 should be a satisfactory one in the sales finance field. This industry, like many others, has been going through a period of adjustment. This will continue into 1954, but it is expected to be a more gradual and orderly process than in 1953 which will help the industry meet the competitive conditions expected in the automotive sales field.

Maxwell C. King

1953 automobile production was the second largest in the history of the industry. This output, however, was not as easily absorbed by the public as in previous years. The increased sales effort put forth by dealers to sell the product developed many problems in the sales finance industry.

In 1954 it is expected that automobile output will drop from the 6,150,000 units manufactured in 1953 to around 5,250,000 passenger cars. While it might be expected that this drop in production would ease competition, it is not likely that this will be so because the reduced output will be geared to new car demand. Being aware of this, sound dealers are keeping receivables and inventories of both new and used cars at a normal figure and are building sales organizations to meet stiffer competition in the retail field. Sales finance companies must screen credit applications of buyers and dealers more carefully, and retail automobile paper and credit facilities granted dealers should be of higher quality. The reduction in the volume of wholesale and retail financing should not, therefore, adversely affect the able dealer and the efficiently-run sales finance company.

In the field of consumer loans, in which Pacific Finance is also actively engaged, it is expected that the competition for customers will increase. The continuing economic adjustment reduces the capacity of the borrowing public to accept obligations which results in a reduced size loan. In order to maintain outstandings, consumer finance companies will, therefore, be required to interview more applicants in order to maintain the same volume experienced in 1953. With improved service and greater public acceptance the consumer finance industry should be able to continue its growth, but at a slightly lower level than that experienced in the recent past.

In short, the consumer loan and sales finance industry should not be adversely affected by the anticipated reduction in the gross national product. As a matter of fact, both industries may well benefit from the more conservative practices which will be evident during the year.

JOHN W. LAMBLE

President, North Star Reinsurance Corp.

In venturing an opinion on the outlook for fire reinsurance companies for the year 1954, one must differentiate between the so-called "professional reinsurer" which writes no direct business and the direct writing company which performs a reinsurance function in either a major or minor way but whose primary business is that of the direct writer.

John W. Lamble

The professional fire insurance industry has enjoyed excellent results for the years 1947 to 1953, inclusive, although there is a notable decrease in the profit margin for the year 1953 over 1952.

There are several basic reasons for this decrease, the most important of which is the series of tornadoes, windstorms and hailstorms which have occurred all over the country during the year. In addition, the dollar amount of fire losses has continued to mount. According to the latest release from the National Board of Fire Underwriters, fire losses for the first 11 months of 1953 now total the staggering amount of $819,960,000, which is an increase of 15.3% over the corresponding period of 1952. Finally, because of the past favorable experience, there has been almost a continuous movement on the part of State regulatory authorities to decrease fire rates and the effect of these reductions is beginning to be felt.

I believe that the year 1954 will show smaller profits for the fire reinsurance industry and that more than usual care and judgment in the underwriting of accounts will be required. Based on the past records of the fire insurance industry, it has proven to be a cyclical business and we believe there is adequate evidence that we are nearing the end of a profitable cycle and must anticipate some leaner years.

This should not be interpreted as indicating undue pessimism but rather in the nature of words of caution and warning.

HON. WILLIAM LANGER

U. S. Senator from North Dakota

As a United States Senator from a great farming state, I am naturally interested and concerned with the farm program and the outlook for the farmers in the year 1954. The role of the farmer in the State of North Dakota and the nation at large is of the greatest import to the general welfare of the American people.

Sen. Wm. Langer

As this piece is written, there is in the offing the new farm program of the Administration. This program is to be announced on Jan. 11 and I hope that it will seek to solve satisfactorily the problems that I foresee.

Due to an economy over recent years that was kept at a high level because of war, the farmer enjoyed a ready market for his goods and a resultant high income. Though production has continued high and prices have remained fairly good, the existing surplus of farm goods has grown to such an extent as to raise the question of what will happen to the future crops and their markets. This is especially true of wheat.

Total farm commodities owned by the government at this time amount to $2,618,575,000 and of this amount, almost half is represented by wheat. In addition to this, it is expected that the government through the Commodity Credit Corporation will have an overall investment of approximately $5 billion in farm products by the end of the fiscal year, June 30, 1954. Generally, this means that the American people have invested the record high amount of well over $100 worth of farm products for every American family. These facts and the outlook based on them indicate that there will be a tremendous surplus of farm goods on hand.

While this surplus has been accumulating, the farm net income has been dropping for the past two years. The farm price index shows that the average prices received by the farmer went down 33 points between January 1952 and January 1953. Since January of 1952 and January of 1953, farm prices have declined 17 index points. Along this line, it is to be remembered that in comparison the income of industrial workers has been rising without a single setback since 1949. Thus, we have two elements now appearing that have a significant effect on the farmers' future. The first is the huge surplus of farm commodities on hand to be disposed of and, second, the decline of the net income of farmers as compared to the increases of income in other segments of the economy.

A third factor to be considered is the drop in exports of our farm goods. In the 1949-50 marketing year, the value of U. S. agricultural exports dropped to $2,986,000,000 from the high in 1947-48 marketing year of $3,505 million worth of American farm products sent abroad.

The outbreak of the Korean War was followed by an increased demand for farm products in 1950, which in the 1951-52 marketing year hit a new high of $4,053,000,000. This, of course, helped to drain the surpluses, but during the 1952-53 marketing year, exports dropped to $2,816,000,000, the lowest since the end of World War II. For the coming year, it is anticipated that there will be a further drop in exports.

When the three factors I have mentioned are taken together, it is evident that the outlook of the farmer is not of the best and that great consideration must be given to a solution for the problem in order to see that the farmer gets a fair return on his investment and work.

One question to be resolved is how to dispose of the surplus of farm products in a satisfactory manner so that the farmer may have a market for his goods at a reasonable profit.

Should there be any question of what reasonable profit means or what my stand on a reasonable return means, I will state that I have always advocated and do now advocate that prices of farm goods be maintained at 100% of parity.

Again, I trust that the new farm program to be announced by the Administration will deal with this serious situation in a satisfactory manner as it is my firm conviction that, to paraphrase a distinguished American, what is good for the farmer is good for the country.

FRED LAZARUS, JR.

President, Federated Department Stores, Inc.

Department store sales for the first six months of 1954 are likely to hold up well. New developments in merchandise designed to match customer demands should bring increases over 1953 in many types of goods. Total dollar sales may be down a little, 2% to 3% because prices are down that much. The year 1953 has been a record year in many department stores, so that possible slight lowering of dollar sales should not be too serious a problem if proper expense control measures are taken.

Fred Lazarus, Jr.

New materials, such as the extra-benefit synthetics and new fashion prestige for established materials, such as the year-around cotton, will continue to spur sales in fashion goods in 1954. Competition is creating better products in many areas. The competition of distinctive European items has stimulated exceptional approaches in the design of American fabrics, ceramics and fashion accessories. Increased competition has forced better styling into all price lines of goods. The important spring 1954 silhouette the "Princesse," with its yards and yards of skirt and labor-consuming under-construction, is just as well represented in the budget dresses as in French Room dresses.

Because Americans are so intensely interested in home building and home decoration, fashion home furnishing is a rapidly expanding business. The fresh new casual-living kind of home furnishings, completely American in feeling, although with traces of "period" flavor, will continue to make sales history in 1954. The extent of home furnishings change in a very few years is illustrated by what has happened to the traditional January White Sale. Prewar, there was nothing more staple and less subject to fashion change than the bed sheet. In 1954, most stores will change the name of the White Sale. Today, customers want color, especially in sheets, but even in such unseen items at mattress protectors. At least 50% of the January sheet business will probably be in fitted sheets, something unheard of a few years ago.

Department stores generally recognize their importance to the American economy as distribution centers for the country's record production of consumer goods. High mass income is dependent on maximum employment and production; the billions of dollars worth of goods produced must reach the consumer. In addition to aggressive merchandising, retail management is giving major attention to customer service in a drive to keep retailing abreast of production. Self-selection fixtures have made shopping easier for customers, but the real improvement is coming in the most successful stores with the development of a better force of informed sales people. This trend will continue in 1954. There is scarcely a major store in the country that is not now

conducting surveys of customer service, and working out programs that will insure the improvement of selling service in the new year.

J. S. LEACH

Chairman of the Board, The Texas Co.

While the business economy in general may experience a mild down-trend during 1954, it appears that the petroleum industry can look forward to a further increase in the demand for its products, although the rate of increase will be somewhat less than that of the past several years.

J. S. Leach

However, this does not mean that the petroleum industry will not face problems during the forthcoming year. It will—more and tougher ones than the industry has faced since World War II. But they are problems that can be solved, for the most part, by the application of sound business principles—aggressive selling methods, tighter cost controls, realistic production schedules, and intensive research for new and improved products.

Most economists forecast some decline in general business and industrial activity during the year, perhaps 5% of the gross national product, and possibly 10% in the physical volume of industrial production. This decline will result from a number of causes—a $5 billion reduction in government expenditures for national security, the need for many businesses to work off high inventories, a leveling off of postwar plant expansion programs, and readjustments in the steel, automotive, and housing markets.

Such a reduction, however, need not carry alarmist overtones of a depression. Rather, it suggests a switch from a super-boom to a still high degree of prosperity, as our national economy reverts from an accelerated defense program to a normal peacetime basis.

In 1954 United States consumption of petroleum products is expected to rise between 2 and 4%, as compared to an average annual increase of 7% per year for more than a decade. This lower rate of increase is predicated on an expected decline in automobile production, the near-completion of the railroad dieselization program, and a lower rate of oil burner installations, which reflects a decline in the new home building as well as an increase in use of natural gas for heating purposes.

The petroleum industry, however, during 1954 will continue its modernization and improvement program largely directed to producing products of higher quality. Proposed capital expenditures during 1954 will be at a rate comparable to the high levels attained during 1953. This is particularly noteworthy inasmuch as the industry's capital expenditures since World War II already have exceeded $20 billion.

It is likely that early 1954 will see a continuation of downward pressure on the prices of many petroleum products. These pressures will result largely from a temporary condition of over-supply in which the oil industry presently finds itself, because of (1) an unseasonably warm winter, and (2) the establishment at government request of a one-million-barrel per day reserve capacity, which in many instances has caused over-production.

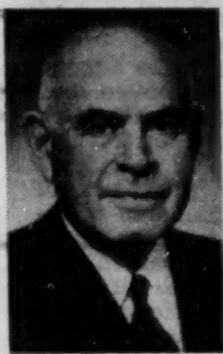
The increasingly keen competitive situation will be intensified when Iranian oil returns to world markets. It is impossible to foresee when and under what circumstances Iran's wells will flow again. But it seems likely that the settlement of problems in this Middle-Eastern kingdom will put additional pressure on the present petroleum price structure.

For the long run, however, both United States and World demand for petroleum products will continue to result in a healthy growth of the petroleum industry. New uses are being developed for petroleum products, large sums are being expended to find new sources of oil and to further improve recovery and refining processes. The petroleum industry will continue to make a substantial contribution to the economic health of the nation and to establishment of a sounder, more well-balanced economy throughout the free world.

HON. HERBERT H. LEHMAN

U. S. Senator from New York

At the present time the United States is undoubtedly involved in a business recession, which may grow more serious or may level out if suitable counter-measures are taken.



Sen. H. H. Lehman

There are definite danger signals which we would do well not to disregard. Among these warning indications are: reduced production, increased unemployment, shorter hours of work, large inventories and falling prices for agricultural products resulting in greatly reduced farm income.

I do not believe that we need have a serious depression, providing the Administration and Congress take the steps necessary to cushion the impact of any further deterioration in business and to maintain a stable economy. These steps, however, should not be left to chance, to hurried decision or to haphazard planning.

Among other things, the Administration should seek authority now to undertake a large public works program, should the necessity arise. The plan should include a greatly increased program for the building of roads, school houses and other educational facilities, flood control, conservation and needed public buildings.

It is my belief that any tax reductions should be for the advantage of the total economy. Tax relief should be used to encourage consumption, employment and investment and so far as possible be for the benefit of the low and small income classes who, after all, are the main consumers of the country.

This statement is not by any means an adequate or full prescription for meeting the economic dangers of the present moment. It represents only a few random thoughts of what may be done. Many more steps, however, can and must be taken.

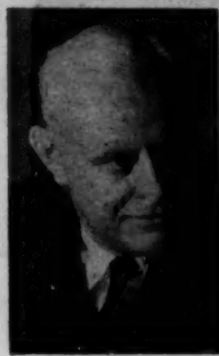
I believe, too, that our appropriations for defense should be based exclusively on our defense needs and not be influenced by a desire to redeem campaign pledges. Like everyone else, I would like to see a balanced budget, but we must not permit this very natural desire to be satisfied at the expense of our national security.

ELMER L. LINDSETH

President, The Cleveland Electric Illuminating Co.

Northeast Ohio, like the nation, looks for the general level of business in 1954 to fall somewhat below the record peak established last year.

But here in "The Best Location in the Nation," our surveys indicate that Cleveland's diversifed industrial base will keep it above the economic level generally forecast for the nation as a whole.



Elmer L. Lindseth

The high-level industrial expansion which the Cleveland-Northeast Ohio area has experienced in the eight years since World War II we think will continue to be reflected throughout 1954.

More than $1¾ billion has been invested in Northeast Ohio's postwar industrial expansion—and over 150,000 new job opportunities have been created for local residents in the process. Total employment in Greater Cleveland passed the 655,000 mark last year, and 1954 is also expected to exceed the employment of the war years.

Continued large-scale commercial development remains necessary to keep pace with the growth of the chemical, automotive, steel, and allied industries in the area. Shopping center construction in 1954 is expected to increase four-fold over 1953, and other commercial facilities will undergo similar expansion.

Over 14,000 new dwelling units are planned for Northeast Ohio in the coming year, as local home construction continues to outpace the national average by one-third.

Like other business-managed electric light and power companies throughout the nation, The Cleveland Electric Illuminating Company is vigorously pursuing the greatest expansion program in its history.

By the close of next year, our total system generating capacity will be more than double what it was in the fall of 1949.

Our new Eastlake power plant added two units with 280,000 kilowatts of total capacity to our system in 1953. A third 140,000-kilowatt unit is scheduled to go into service at Eastlake at mid-year, and a 208,000-kilowatt generator is planned for late 1955.

The Eastlake plant ultimately will have an operating capacity of more than 1,000,000 kilowatts, representing an investment in excess of $125,000,000 and interconnected with other Illuminating power plants at Cleveland, Ashtabula, and Avon Lake.

By careful planning and a balanced area development —industrial, commercial, and residential—Northeast Ohio in 1953 retained the title of "The Best Location in the Nation." There is every reason to believe it will do so in 1954.

Continued on page 76

San Francisco Exch. Elects New Officers

SAN FRANCISCO, Calif. — The San Francisco Stock Exchange held its Annual Meeting Jan. 13, 1954, and elected as Chairman of the Board of Governors, Marco F. Hellman of J. Barth & Co. Elected as members of the Board for a two year term were: Wm. H. Agnew of Shuman, Agnew & Co., Scott H. Stewart, Jr. of Stone & Youngberg, and Ralph E. Van der Naillen of A. G. Becker & Co. Incorporated.

Marco F. Hellman

Immediately following the annual meeting the new Governing Board held its first meeting and elected George W. Davis of Davis, Skaggs & Co., for a one year term to fill the vacancy created by Mr. Hellman becoming Chairman. The two other members of the Board are Calvin E. Duncan of Calvin E. Duncan & Co., and Ronald E. Kaehler, President of the Exchange.

The new Board elected Mr. Agnew its Vice-Chairman.

Election of the Nominating Committee for the ensuing year was also held at the Annual Meeting. Edwin D. Berl of Edwin D. Berl & Sons was elected Chairman, the other five members of this committee being: Stanley R. Dickover of Mark C. Elworthy & Co., Howard J. Greene of Sutro & Co., R. Russell Hodge of Frank C. Shaughnessy & Co., Sherman Hoelscher of Sherman Hoelscher & Co., and Robt. F. Mulvany of Irving Lundborg & Co.

Named Directors

Middle States Petroleum Corporation has added to its Board of Directors Jackson D. Breaks and Eugene M. Geddes, it was announced by Joseph Glass, President. Mr. Breaks is a Vice-President of Chase National Bank and Mr. Geddes is a partner in the stock exchange firm of Clark, Dodge & Co. Mr. Geddes is a director also of Western Union Telegraph Company, Manning Maxwell & Moore, Inc. and U. S. Smelting, Refining & Mining Co. and is Vice-President of the Association of Stock Exchange Firms.

With George Eustis

(Special to The Financial Chronicle)

HAMILTON, Ohio — Ralph E. Clark has become associated with Geo. Eustis & Co., Traction Building, Cincinnati, members of the Cincinnati and Midwest Stock Exchanges. Mr. Clark was formerly local manager of H. B. Cohle & Co.

Oak Creek on the Job

The first 120,000 kilowatt unit at Oak Creek went "on the job" in 1953, bringing system capacity above the one million kilowatt mark.

Construction of a second unit is now proceeding. It will be placed in operation during the fall of 1954. A third unit is scheduled for completion in 1956. Presently planned capacity at Oak Creek is 500,000 kilowatts.

Oak Creek represents another forward step in providing dependable service for widely diversified industrial and rural areas in Wisconsin and upper Michigan. Our system serves 484,500 electric customers, 70,500 gas customers and 1,340 steam heating customers.

WISCONSIN ELECTRIC POWER COMPANY SYSTEM

Continued from page 75

P. W. LITCHFIELD

Chairman, The Goodyear Tire & Rubber Co.

The rubber industry in 1953 consumed more rubber, sold more goods, gave its employees higher take-home pay and produced better tires than ever before in history. In every respect, the year was very satisfactory.

Prospects are that 1954 will be another year of high level activity, somewhat below 1953.

Reduced production of new cars, trucks and farm tractors, which now seems likely, would result in a commensurate reduction in our original equipment tire business.


P. W. Litchfield

But there is every indication that the sale of tires for renewal purposes will be higher in 1954 than in 1953. this is due to the fact that the large volume of new cars made in 1950, 1951 and 1952 will be coming into the market for replacement tires.

In certain other segments of our business, the prospects are encouraging. Production and sales in films, foam and flooring are expected to gain. So, too, is the chemical end of our business.

Our postwar program of plant expansion and improvement has brought us to the point where we can produce more goods and operate more efficiently than ever before. There will be less capital expansion in 1954.

The supply of new rubber will be adequate and the price of this commodity is expected to continue reasonable. This is a stabilizing factor of basic importance to the industry.

Sales effort is being stepped up through improved organization and personnel training. Competition will be stronger in the rubber business—not only in the United States, but in all parts of the world. This means that the consumer will get better values and better service.

Of course these prospects could quickly be changed by unfavorable developments in world affairs but, assuming that nothing of this kind occurs, it now appears that 1954 will prove satisfactory in terms of production, employment and sales.

The overall prospects for the rubber industry indicate continued growth over the next decade. This growth probably will not be in the form of a steady line from year to year, but the long trend is toward higher levels.

This long-term prospect, however, is beclouded by two serious factors. One of these is the condition of our highway system. It is inadequate to properly carry the present transportation needs of the nation, and we do not seem to be moving effectively to improve matters. It should be remembered that goods cannot be produced and sold unless they can be transported, and that we cannot add greatly to the present total of 53 million motor vehicles unless there are adequate highways on which the additional cars can operate.

Another deterrent to economic expansion is the continuing high level of government spending and taxation. The higher the tax load, the lower is the incentive to venture and the lower is the available supply of venture capital. Corrective measures should be taken before the point of acute danger is reached.

CARL H. MAAR

President, Lincoln National Bank & Trust Co. of Syracuse, N. Y.

Business during 1954 should be maintained at a satisfactory level, but we must never lose sight of the fact that the business climate, like the weather, is constantly changing. It is never static. It either moves forward or recedes. There is every indication that the volume of trade will be at a somewhat lower level than in 1953 and probably somewhat less profitable. It will be a year in which competition will reassert itself and again emphasize those principles on which our growing economy has been built.


Carl H. Maar

There are important minus and plus factors which will affect the ever shifting business climate. The following are, I believe, the most important of these elements:

On the Minus Side

(1) 1954 will be first year when our expanded plant capacity will be in full operation while government expenditures will be declining.

(2) Reduction in private expenditures for plants and equipment.

(3) Some reduction in total inventories.

(4) More active competition in world markets by Western Europe.

(5) Most commodity markets are in a status of overproduction.

(6) A decline in consumer income due to less overtime and perhaps a shorter average work week in some industries.

(7) Lower level of farm income.

On the Plus Side

(1) Reduction in both personal and corporate income taxes resulting in more purchasing power in the hands of the consumer.

(2) Lower money rate trends and relatively easy money conditions.

(3) Large expenditures by municipalities for public works—schools, roads, etc.

(4) Possible increase in hourly wage rates in some industries to offset elimination of overtime and reduction in work week.

(5) Possibility of successful peace negotiations and less talk of war.

An analysis of these factors shows the weight in favor of the minus side principally because of their broad effect upon our economy. For this reason I feel that business in general will not equal that of 1953. On the other hand, we are entering 1954 more satisfactorily than we anticipated a year ago. This fact along with the favorable elements which exists in our economy certainly appear more than adequate to prevent any serious decline in business.

H. E. MacDONALD

President, Household Finance Corp.

The year 1953 marked the 75th Anniversary of the opening of an office in Minneapolis, which was the forerunner of Household Finance Corporation. It is gratifying to report that we completed this Anniversary year with record-breaking totals.


H. E. MacDonald

Household continues to be aggressive in providing an improved loan service to more and more customers. During the year we opened 26 new offices, and now serve the residents of 31 states and all provinces of Canada with more than 600 well-located modern offices. Our operating staffs have been increased, and are providing the people of both countries with prompt, friendly, dependable money help. At the end of 1953, there were over 1,350,000 open accounts on our books, totaling over $350,000,000—an increase of 11.4% over Jan. 1, 1953.

In 1953 there has been a continuation of many influences which have brought a substantial growth in the volume of loans in recent years. At least three of these influences should be mentioned: (1) instalment cash lending has gained widespread public acceptance; (2) the level of business generally throughout the United States and Canada has been high; (3) customers borrow more than they formerly did, largely as a result of the higher level of prices. The average loan in 1953 was 7% larger than in 1952.

We believe these influences will continue to operate in 1954. Since business activity and employment are expected to continue at a high level, loan volume will probably continue to increase. Because the unemployment which may occur in some industries is not expected to be widespread or prolonged, it should not result in a marked deterioration of ability to repay, or in an unwillingness to borrow. We do not anticipate any marked increase in delinquency under these conditions.

W. C. MacFARLANE

President and General Manager, Minneapolis-Moline Co.

Farm-machinery business for 1954 in my opinion should pretty well parallel 1953.

Although we had a record sales volume in 1953, this included defense business which made up for a greatly reduced volume of farm machinery. Our total volume for 1953 would have probably equaled or exceeded 1952 had it not been for droughts and small grain rust that substantially reduced sales over wide areas. And because of the reduced purchasing power in those areas, and until crop prospects are determined, there may continue to be less volume than in the immediate past. Also, acreage control programs, together with regulations regarding substitute crops, may temporarily slow up deliveries until they are definitely announced.


W. C. MacFarlane

However, the overall volume on farm machinery should not be too greatly affected, for the following reasons:

1st—The population all over the world is continuing to increase.

2nd—Land will not be left idle, and that part of the land left out of principal crops under acreage controls will in many cases require new and different equipment.

3rd—Outstanding new and improved equipment will continue to play a big part in reducing costs and manhours for greater comfort and convenience of the farmer.

4th—Our customers continue to be well fixed financially. However, they are no longer rushing in to purchase items needed, as they did in the recent past.

5th—Dealers, rural bankers, and farmers are better adjusted to normal conditions than a year ago and therefore will work more closely together.

Consumers in general are becoming definitely more quality conscious, and all around there is increasing competition for the farmer's dollar. And I believe this same situation applies to all industries and their customers.

ROBERT S. MACFARLANE

President, Northern Pacific Railway Co.

Although Northern Pacific anticipates somewhat reduced revenues in 1954 as compared with 1953, in line with the present general business trend, we are continuing an aggressive improvement program designed to increase operating efficiency and provide better freight and passenger service.


Robert S. Macfarlane

Late in 1954, we will complete a $7½ million passenger improvement program started in November, 1952, when a fleet of 20 Vista-dome cars go in service on the North Coast Limited, our Chicago-North Pacific Coast streamliner. A sizable percentage of a stepped-up advertising and promotion effort will be built around the new passenger equipment in which Raymond Loewy Associates, famed industrial designers, have a hand.

In view of current demands by the brotherhoods, operating costs during the year ahead are uncertain, while at the same time it appears from present indications that the railroad industry, as a whole, faces a year of somewhat decreased revenues, as compared with 1953.

ROBERT T. MARSH, Jr.

President, First & Merchants National Bank of Richmond, Va.

1953 was the best year on record from a standpoint of physical production and personal incomes. Although many are predicting a recession in 1954, I cannot bring myself to believe that we are in for a bad time this year. No one can definitely say what is in store during the next 12 months but I would guess that when the year closes we will find that it probably will have been the second or third best in our history. We have had some years of experience in a managed economy and those in high places have had ample warning of a possible business slide. Many measures can be and I believe will be taken to prevent that slide from dipping too deeply. Instead of giving a multitude of statistics, I will merely state that my conclusion is that 1954 will be a good year.


R. T. Marsh, Jr.

SIDNEY MAESTRE

Chairman of the Board, Mercantile Trust Co., St. Louis, Mo.

In the middle of 1953 business activity began to decline. This was a reversal of the upward trend which had prevailed almost without interruption since the last quarter of 1949. The size of the decline has thus far been small. Currently, there are few signs that the decline is becoming cumulative and, consequently, it is probable that the decline will continue at approximately the same pace in the first half of 1954.


Sidney Maestre

The inflationary forces which were dominant in the period immediately following the outbreak of the Korean war have now been checked and they are not likely to become important in the next six months. Wholesale prices have fluctuated little since late in 1952, the sharp decline in the prices of farm products and processed foods has been offset by the increase in prices of industrial products. The rise in the cost of living index has been halted. Bank loans normally increase in the last half of the year in order to finance the movement of crops and merchandise, but the expansion in 1953 was substantially below the increase reported in the preceding year. The failure of loans to advance can be explained in part by the slowing down in the level of industrial activity and by the efforts of retailers, wholesalers, and manufacturers to reduce their inventories. Seasonally, loans decline in the first half of the year and this pattern will probably prevail in 1954. The decline, however, may be somewhat slower since some borrowers may need funds to pay taxes in March.

Monetary policy was employed to a greater extent in the past year than in any year since the end of the war to influence the trend of industrial activity. The Federal Reserve System imposed some restraint upon the expansion of credit in the early part of 1953, but this restraint was relaxed by reducing the reserve requirements of the member banks and through "open market" purchases of U. S. Government securities when it became clear that inflation was no longer a problem. The effect of this policy, together with a decreased demand for loans, resulted in a decline in interest rates. The continued decline in business activity is likely to result in a further lowering of interest rates. The Treasury Department refunded some of its maturing securities into longer-term securities in order to facilitate the management of the public debt, and it is likely that this program will be continued in the next year.

Tensions between the Western powers and Soviet Russia will probably increase later in the year since there is little hope that agreements can be reached either in the East or the West with Soviet Russia and its satellites.

The continued instability of many friendly European governments may also present difficult problems for the United States to solve. Businessmen should, therefore, study carefully developments in the field of international relations because, if negotiations fail, there is a possibility that this country will embark upon a new rearmament program.

WALTER P. MARSHALL

President, The Western Union Telegraph Co.

A program of rapid expansion in facsimile and private wire telegraph systems will be carried out in 1954 to meet the growing communications needs of the nation's business organizations. Already we have made large increases in equipment orders, doubling the equipment available for installation in 1954.

Walter P. Marshall

Sales of these systems to government, industrial and business users have tripled in five years. They are producing revenues at the annual rate of $20,000,000, which already is second only to telegraph message service as a revenue source to Western Union. We are training additional personnel to service the new systems.

Many custom-built, high-speed printing telegraph systems were installed by Western Union for large companies in 1953. Major additions were made to systems already in service and a number of new systems are now being installed. These private wire networks in many cases involve thousands of miles of circuits connecting the headquarters and far-flung field operations of companies. For example, the General Electric network now links 274 stations, the Bank Wire 204 banks, and the U. S. Steel system 160 stations.

Western Union provides two nationwide private wire networks linking more than 200 U. S. Air Force stations, and a network with which the Civil Aeronautics Administration gathers and disseminates weather information to about 700 stations. The company carried out extensive contracts for the Armed Forces in 1953, involving facsimile, radio carrier and automatic transmission projects.

Another fast growing service, known as Intrafax, was launched in 1953 and installed in banks, steel, insurance, airline, chemical, oil, railroad and other industries. These systems enable the subscriber to flash all kinds of intracompany correspondence in "picture" from between their various departments, warehouses and branches.

Intrafax has great potentialities because any sizable business can greatly expedite its operations and service by this means. The variety of uses is amazing. For example, a huge steel plant links its various units by Intrafax. A railroad uses it to flash reservations to branch stations and to large companies that require many reservations for their employees. Airlines use it for reservation and other purposes. Banks use it for money transfers and comparison of signatures. Orders are transmitted to warehouses to expedite deliveries. Traffic court judges in Baltimore even use Intrafax to get drivers' records from the State Motor Vehicle License Bureau.

Rapid progress is being made also in applying facsimile methods to the transmission and delivery of telegrams. More than 10,000 Desk-Fax miniature facsimile telegraph machines are in use now. In 1954 we plan to bring to 17,500 the number of firms whose offices will be equipped so that businessmen can send and receive telegrams instantly in "picture" form by merely pressing a button. This is in addition, of course, to the many thousands of firms having printing telegraph machines connected by direct wire with the national Western Union message network.

In Indianapolis, Milwaukee, Buffalo and other cities, the installation of Desk-Fax in hundreds of business offices on a city-wide saturation basis has eliminated time-consuming messenger and branch office handling of telegrams. Strategically located delivery stations have been opened in suburban areas from which motor messengers rush telegrams to homes.

A high-speed dial telegraph system, the first of its kind, was placed in operation in Chicago in July to connect nine major airlines. It has revolutionized interline procedures by providing round-trip message service in seconds for interline passenger reservations. The operator at any airline on the system simply dials a single number to connect her with any other airline.

Western Union recently inaugurated a hotel reservation service. Our reservation bureau in the destination city acts for the traveler by calling the hotels of his choice, obtaining the accommodations desired, and confirming the reservation by telegram.

HON. EDWARD MARTIN

U. S. Senator from Pennsylvania
Committees on Finance and Public Works

The economic outlook for 1954 is good. There is a great backlog of peacetime work to be done.

We are far behind in the construction of homes, roads, hospitals and schools. This is because of the enormous increase in population and the necessity of curbing civilian work in order to give priority to the Army, Air Corps and Navy.

Sen. Edward Martin

There are many things that we should do in 1954. Some are of paramount importance.

We must stabilize the dollar. The present devalued dollar is unfair to the wage earner, those on fixed salaries, and those receiving returns on investments. One of the greatest means of stabilizing the dollar is the balancing of budgets on all three levels of government — local, State and Federal.

History tells us that no nation has ever lived more than 44 years after it had gone off a sound currency. We have been off the gold standard for 19 years. While it might be the best way to accomplish our end, it is not necessary for us to be on a gold standard.

We must cut down the amount of government. We must remember the statement that the best governed are the least governed. The people are demanding too much from government.

The Federal Government has reduced the number of employees by 200,000 during 1953, but State and local governments have increased their employees by about the same number.

Taxes are entirely too high. Taxes are now so high that in some places we have diminishing returns. More taxes should be direct rather than hidden so people would know better what their government is really costing them.

Federal expenditures should be greatly reduced in defense spending, foreign aid and Federal employees.

If we have a financial adjustment, people must have the courage and the faith to accept it. We must all realize that we cannot depend upon a war prosperity. America was made through the work of peace and not through the horrors and bloodshed of wars.

We must not forget spiritual values. Our forefathers developed this wilderness continent by hard work and they carried with them the Bible, the axe and the rifle. The Bible meant to them faith and proper living; the axe meant that all men must work and conserve; the rifle meant that defense is the job of all of us.

W. A. MATHER

President, Canadian Pacific Railway Co.

An expanding economy in which rail transport continues to play an increasingly important role despite growing impairment of the railway industry's financial position emerges as among the most significant and perplexing features of the business and industrial scene in Canada in 1953.

William A. Mather

A disturbing manifestation of this growing imbalance between the generally high level of economic activity and railway revenues is the decline in net railway earnings recorded by the Canadian Pacific Railway Co. during the past 12 months. Further aggravating the difficulty of attracting on favorable terms the capital needed for the expansion and improvement of our rail services and necessitating a decision to defer a part of our maintenance program, this adverse trend in net earnings reflects the serious implications for rail transport in the national economy of a transportation policy based on legislative and other restrictions inappropriate to modern competitive conditions.

Economic developments of the past 12 months lend a sense of even greater urgency to the problem of bringing the financial position of the railways into balance with that of other segments of the economy. For although Gross National Product in Canada has been running about 5% higher than in 1952 and promises to reach the official estimate of $24 billion for 1953, capital investment in industry, with the notable exceptions of transportation, mining, petroleum and residential construction, has been relatively of less significance as a sustaining factor in the economy than expenditure on consumer goods and services. Significant, too, is the fact that defense expenditures, although maintained at a

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Heller & Meyer Will Be Formed, NYSE Firm

EAST ORANGE, N. J.—Heller & Meyer, members of the New York Stock Exchange, will be formed Feb. 1, with offices at 18 North Harrison Street. Partners are Gustav P. Heller, Exchange member, and Abraham J. Meyer. Mr. Heller is a partner in Nugent & Igoe. Mr. Meyer conducts his own investment business in Newark.

Hayden, Stone & Co. Opens In Maplewood

MAPLEWOOD, N. J.—The firm of Hayden, Stone & Co., members of the New York Stock Exchange and other principal exchanges, announces the opening of offices at 7 Highland Place. These offices were formerly operated by the securities firm of Parker, Robinson & Company. John E. Parker, Jr. will be the manager. Associated with Hayden, Stone in Maplewood will be: Samuel H. Robinson, Jerome A. Q. Franks, Winthrop G. Felter, Edward B. Ekdahl, Charles H. Henninger, and Walter B. Simmons, Jr.

With Neuberger Berman

Neuberger & Berman, 160 Broadway, New York City, members of the New York Stock Exchange, announce that Mrs. Julia Rose is now associated with the firm as a customers' broker.

Dean Witter & Co. To Admit Partners

SAN FRANCISCO, Calif. — Dean Witter & Co., 45 Montgomery Street, members of the New York Stock Exchange, and other Exchanges, on Feb. 1 will admit George E. Vandenhoff of Beverly Hills, and William B. Boone, of Portland, to general partnership, and Edward B. Hall, Malcolm Smith, and Rea L. Eaton to limited partnership in the firm.

Steiner, Rouse & Co. In New Location

Steiner, Rouse & Co., members of the New York Stock Exhcange, have moved the firm's main office from 25 Broad Street to completely air conditioned offices at 19 Rector Street, New York City.

Steiner, Rouse maintains three branch offices in New York at 575 Madison Avenue, 1440 Broadway and 157 East 86th Street, as well as branches in Birmingham, Mobile and New Orleans.

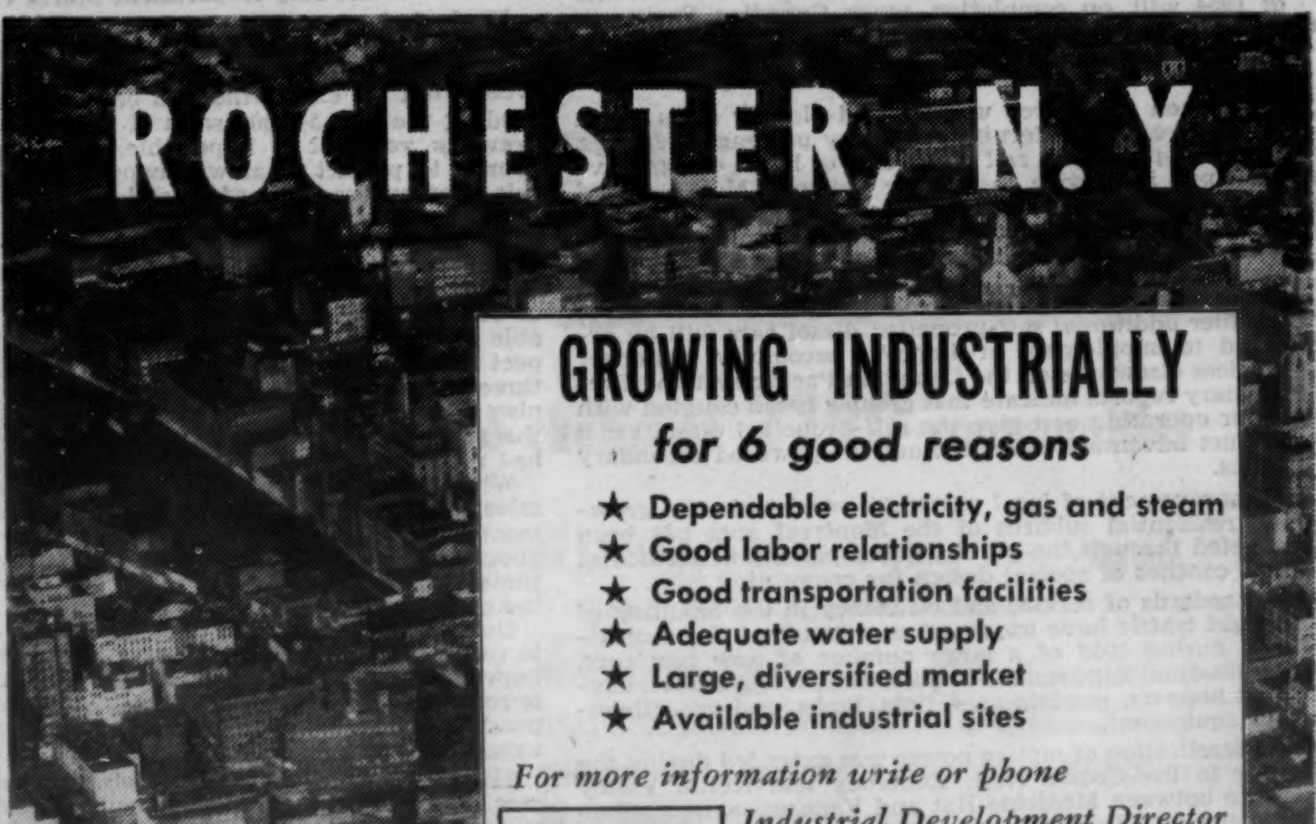
Joins Marshall Staff

(Special to The Financial Chronicle)

MILWAUKEE, Wis. — Carl R. Raymore has become affiliated with The Marshall Company, 765 North Water Street.

Eugene B. Sanger Jr.

Eugene B. Sanger, Jr., Vice-President of Minot, Kendall & Co., Inc., Boston, Mass., passed away at the age of forty-two.



Continued from page 77

high level throughout 1953, are no longer regarded as an expansive factor in business and industry.

Such circumstances suggest that the program of capital investment planned by the Canadian Pacific Railway Company may be a factor of even greater importance than heretofore in sustaining the high level of economic activity and prosperity which has characterized the past 12 months. It is, therefore, a matter of concern in terms of national economic wellbeing, as well as in terms of meeting Canada's growing transportation requirements, that the Canadian Pacific Railway Company should be accorded the opportunity to achieve in its rail enterprise that greater measure of financial stability necessary to attract on favorable terms the capital required for the expansion and improvement of rail transport services envisaged in this program.

Notable among the factors which have restricted net rail earnings of Canadian Pacific in 1953 to the unsatisfactorily low level of somewhat less than 3% on investment in the rail enterprise, are wage increases implemented during the year, growing truck competition in respect of high value freight traffic, and a decline in the volume of traffic. General freight rate increases of 7% and 9%, which became effective early in 1953 by authority of the Board of Transport Commissioners, have failed to provide the anticipated level of net earnings owing to the decline in traffic volume and a rise in operating costs.

Recognizing the necessity for exploring every possible solution of the increasingly acute financial problem of the railway industry, Canadian Pacific, in July, 1952, made application to the Board of Transport Commissioners for the establishment of a "rate-base rate-of-return" formula designed to enable the company to earn a reasonable return on the net capital investment in its rail enterprise. Further hearings in this important application were held by the Board of Transport Commissioners last October.

The fundamental problem, affecting not only the railways but the entire economy of Canada, however, still rests in the application by statute, to a substantial segment of rail freight traffic, of rates which are the same today as in 1897. A statutory provision exempting so large a volume of traffic from bearing any share in increased transportation costs, if extended indefinitely, cannot fail to prejudice the balanced economic growth so essential to sound national development and to limit further the ability of Canada's railways to meet the nation's transportation needs.

Confident that recognition must ultimately be accorded to the necessity of bringing the financial requirements of rail transport into a more equitable relationship with those of other segments of an expanding economy, our company, during the past 12 months, has undertaken to provide Canadians, both in domestic and international transportation, with new and improved services by rail, sea and air.

To improve and modernize our transcontinental rail passenger services orders have been placed during the year for streamlined, stainless steel passenger cars, making up 15 complete trains of the most modern construction for service from Montreal and Toronto to Vancouver. Included in the order are 36 ultra-modern, scenic-dome, lounge-observation cars, reflecting the ultimate in passenger comfort and enjoyment. Installation of this new equipment, beginning with the use of scenic-dome cars on the Vancouver-Calgary run in the summer of 1954 will, on completion, mark Canadian Pacific as operating a larger number of modern, streamlined passenger units over longer distances than any other railway.

Nineteen fifty-three was marked also by steps taken to improve and modernize secondary passenger services. Four self-propelled, rail diesel cars of latest design have been put in service in Quebec between Montreal and Mont Laurier, to serve the Laurentian resort area, and in Ontario between Toronto and the metropolitan border area of Windsor-Detroit as well as between North Bay, Mattawa and Angliers. Experience with these units and their popularity with the traveling public will determine whether additional self-propelled diesel cars will be ordered to supplement or improve secondary passenger services elsewhere on the Canadian Pacific system. Preliminary reports indicate that greater speed coupled with lower operating cost give the self-propelled diesel car a distinct advantage over locomotive-powered secondary trains.

Improvement of local passenger services in the growing residential suburbs of the Montreal area has been effected through the purchase and placing in service of new coaches of special design for commuting runs.

Standards of service and efficiency in the handling of freight traffic have improved as a result of the acquisition during 1953 of a large number of new box cars, longitudinal hoppers, automobile cars, refrigerators, covered hoppers, gondola cars, flats, tanks, and miscellaneous equipment.

Dieselization of motive power was extended during the year to the Crow's Nest, Kootenay and Kettle Valley route between Medicine Hat and Vancouver, necessitating the establishment at a cost of about $1,000,000 of a diesel shop at Nelson, B. C. Delivery of 73 new diesel-electric locomotives during the year brings to 365 the number of diesels, including switchers, now in operation.

The revenues from the operation of Canadian Pacific Steamships for the year were adversely affected by reduced cargo carriage and the continuing low level of ocean freight rates; the earnings position has been further aggravated by a slowing down in grain export movement and very much reduced rates for the carriage of grain and flour. It is doubtful whether any immediate improvement in world shipping conditions can be expected in the near future.

Steamship passenger traffic on the North Atlantic, while slightly lower than for the previous year, continued at a very satisfactory level. The replacement of the "Empress of Canada," destroyed by fire at Liverpool early in the year, by the purchase and refitting of the 19,400 ton "De Grasse," renamed the "Empress of Australia," enabled the company to meet, without interruption, the heavy passenger traffic of the Coronation period.

Commencing a modernization program, the keel for a new passenger-cargo liner of 22,500 gross tons was laid at the yard of the Fairfield Shipbuilding & Engineering Company on the Clyde in Scotland. This new vessel, due to be commissioned in the spring of 1956, will have accommodation for 900 tourist and 150 first-class passengers. Tenders have been called for a sister ship to the new vessel with a view to replacing another of the older ships.

A $4 million twin-screw, diesel train ferry for service between Vancouver and Nanaimo, ordered in June, 1953, will, when placed in service, provide fast, thrice-daily freight, passenger, truck and automobile transportation between Vancouver Island and the mainland.

Nineteen fifty-three saw Canadian Pacific Airlines bring the following new routes into operation:

Vancouver-Mexico City-Lima. This extension of the company's present Vancouver-Hong Kong route enables it to provide not only a service between Canada, Central and South America, but a through service between the Orient and South America—the only such service presently in operation.

Prince George-Terrace, B. C. This link provides a service between Edmonton and the Aluminum Company development at Kitimat.

Flin Flon-Lynn Lake. This enables the company to serve the new nickel development at Lynn Lake by providing a through service from Winnipeg.

Application of Canadian Pacific Airlines to operate an all-cargo transcontinental air service was for the time being refused by decision of the Government of Canada.

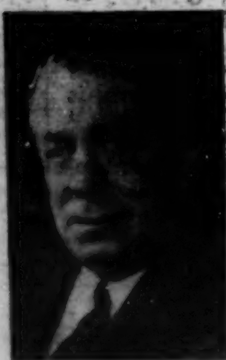
The Airlines took delivery of five Convair 240 aircraft for use on its domestic lines, and four DC-6B's for Pacific lines. The latter aircraft progressively replaced the DC-4's and by July 1 all Pacific and South American services were being provided with these new aircraft. Three of the Comet Mark II type aircraft have been ordered for delivery next fall, and an option is held on a fourth. It is proposed to use these aircraft on the South Pacific and South American routes and will place the company in an increasingly pre-eminent position with respect to equipment. Upon the release of the DC-4's from the Pacific they were incorporated into domestic routes between Montreal and Seven Islands, between Edmonton and Yellowknife, and between Vancouver and Prince Rupert. On completion of the present work on Cranbrook Airport, Convair 240 aircraft will replace the DC-3's on the Vancouver-Calgary route.

The impressive record of progress in providing ever higher standards of service and efficiency in rail, sea and air transport reflects the conviction that in due course the principle of freedom of competition and relief from undue restrictions will receive increasing recognition in Canada's transportation policies.

MORTON J. MAY

Chairman of the Board, The May Department Stores Co.

We look forward to the coming year with confidence. We have just completed a very good year. Final sales figures for fiscal 1953 will not be available for several weeks, but we expect them to be at a record high—exceeding the $447,548,000 sales of the previous year. It is impossible, of course, to predict what will happen this year on the basis of what happened last year, since our sales are subject to the influence of so many variables in the general economy of the country. However, on the basis of our own current sales and available economic information, we expect our sales volume for the first three months of fiscal 1954—beginning Feb. 1—to about equal that of the same period in 1953, when we had record sales of $97,698,000.


Morton J. May

While we cannot forecast what our sales will be during the coming 12-month period, we are optimistic about the long-range future of our business. This optimism is reflected in our plans for expansion during the coming year.

During 1954, we plan to devote in excess of $10,000,000 to capital expenditures, including new construction and improvement of existing buildings. This amount, which is substantially larger than the total of our capital expenditures in 1953, will make 1954 one of the biggest expansion years in the 76-year history of our company.

The May Department Stores Company owns and operates 10 large downtown department stores and 15 branch stores in cities from Baltimore to Los Angeles. Some of these have undertaken expansion or modernization projects.

One of the larger projects to be started in 1954 is the building of a 300,000-square foot branch store and parking lot at the Northlands Shopping Center in Jennnigs, northwest St. Louis County. This store, our third branch in the St. Louis area, should be completed late in 1955.

Major expansion of our downtown Pittsburgh store, Kaufmann's, will be completed late in 1954. This includes the purchase and remodeling of a 19-story building adjoining Kaufmann's and the construction of a 10-story addition.

A 55-acre, 40-store, 3,000-parking space shopping center in northeast Ohio is scheduled for completion in April. It will be the first shopping center completely controlled by our company. It will be operated by the management of our Akron store, the M. O'Neil Company.

Our Denver, Colo., store will start building its first branch store during 1954 in the new University Hills Shopping Center. We will also modernize our Denver downtown store during the year.

Our plans for 1954 include modernization of the May Company store in downtown Cleveland and enlargement of the parking garage of the M. O'Neil Company store in downtown Akron.

These projects, which are the highlights of our expansion plans for 1954, indicate our confidence in future economic conditions.

JOHN L. McCAFFREY

President, International Harvester Co.

In recent years, on such occasions, I have discussed such things as the completion of post-war expansion programs within the farm equipment industry and our subsequent ability to produce at high levels, availability of materials, prospects for labor peace, prices, competition, and other important segments of the business life of our industry. These things are still important and will always remain so.


John L. McCaffrey

But the turn of events during 1953, particularly that which took place in the last six months of the year, has caused our industry to focus its attention upon the farmer—what happened to him in 1953 and the prospects for his general welfare during 1954.

At the moment, the farmer is confused and full of anxiety. As long as such condition exists, even though his general financial condition is good, the farmer will not be a good prospect for equipment produced by our industry. Something must be done and done quickly to remedy such a situation.

Personally, I have every confidence that the present Administration will solve the farm problem. I feel sure that the farm program, in whatever form it may take, will be fair and equitable, one that will restore confidence with the American farmer during 1954. Once this has been accomplished, business prospects for our industry during the coming year will become a lot brighter.

So assuming that this feeling of farmer uncertainty will soon be eliminated, I would like to make the following observation concerning our industry during 1954:

First, new products are likely to be developed and introduced at a faster rate than ever before. By doing so, manufacturers will be performing the greatest service this industry can render to the agriculture of our nation. And both manufacturers and dealers will benefit from increased sales resulting from the opening up of totally new markets for these products.

I have great faith in the ability of our industry's engineering and research people, and I am confident that such products will be forthcoming during 1954.

Second, the industry must continue its efforts to improve the older machines, and for the same reasons stated above. Again, this is the responsibility of the manufacturer. I am sure that all are prepared to assume it properly.

Third, if the manufacturer does this job, the dealer must provide a ready outlet for such products. This calls for a willingness to trade, a well defined barter reconditioning program, and additional effort toward the movement of barter from the lot into the hands of a user. At my company, such a program was inaugurated with our dealer organization some time ago, and its momentum will be increased during 1954.

Fourth, time selling will be more of a factor in our business during 1954 than in previous years. This means that ready outlets for farm equipment paper must become more accessible to the dealer. If, for some reason, financing is not available locally, it must be supplied by the manufacturer.

Finally, I would like to say this: I do not think, as some people seemingly do, that we are on the brink of any serious depression. On the other hand, I do not think business generally can maintain the extremely high levels it has achieved during the past few years during 1954. All in all, I believe 1954 will be a good year, but not one without its problems.

The job that lies ahead will involve every segment of our economic life—government, unions, farmers, and businessmen. Each must work at their problems cooperatively, earnestly, and with good will, each trying its best to find solutions which will work and which will be as fair as possible to everyone concerned.

I don't think that will hurt any of us. That's the way we usually make progress in this country—by making a common attack on our problems and by everyone approaching them with some willingness to give on his own part. If we do that, the future looks good to me.

L. F. McCOLLUM

President, Continental Oil Co.

The year 1953 completes a quarter of a century during which the demand for petroleum and its products increased at an average rate of better than 6% per annum. In the postwar era, the average rate of increase was better than 6½% per annum. There are but a few industries in this country that have enjoyed a growth factor of this magnitude over a long period of time and that have been relatively immune to the fluctuations in the business cycle.

L. F. McCollum

The long range outlook for the petroleum industry continues to be good. The dynamic nature of our economy requires consistently increasing volumes of energy fuels, and petroleum is indispensable in the pattern of this nation's energy requirements. The demand for petroleum and its products will continue to grow irrespective of the intermediate fluctuations in general business conditions. However, the rate of growth may not necessarily be quite as high as the one we have witnessed during the past 25 years.

As petroleum is a most valuable and irreplaceable natural resource, it is of great importance to the industry and to the nation as a whole that it be not wasted. Tremendous strides have been made in the conservation of oil and natural gas at production levels, but this is not where conservation should end. Petroleum products are bulky, inflammable and subject to high evaporation losses. Above-ground inventories which are substantially in excess of current requirements represent a wasteful practice from both an operating and economic viewpoint.

As we enter the new year, the petroleum industry is faced with one of the recurring periods of over-supply in crude oil and refined products, particularly in gasoline and distillate fuels. The over-accumulation of inventories in the latter two products was caused by a level of refinery operations which, since the early summer of this year, have been consistently in excess of current and foreseeable future requirements. Prompt corrective action is needed and such action can be taken only if each refinery operator, large and small, takes an appraisal of his levels of stocks in relation to a carefully weighed and realistic forecast of future sales. The industry should become fully cognizant of the fact that with the standby facilities built up in the refining end, greater flexibility of operations and improved transportation facilities, there is no longer any need for carrying inventories of the magnitude considered necessary in the past.

Conditions of over-supply have occurred in the petroleum industry from time to time and have been always remedied through constructive approach to the problem by the many units which comprise the industry. It is only through such action that the present problem, which is clearly of a transitory nature, can be solved. Self-imposed restraints on the part of both refinery operators and companies importing crude oil are the key to the problem. In the long run, these measures are indispensable to prevent waste and to assure this nation an adequate supply of petroleum and its products at all times.

THOMAS F. McCARTHY

President, Austin, Nichols & Co. Inc.

It is my belief the outlook for the liquor industry in 1954 is somewhat a complex one. The entire industry is retarded by a fantastically high Federal tax, $10.50 per proof gallon, on top of which there are state taxes which average over $1.50 a gallon. Under the present law the Federal tax is scheduled to be reduced $1.50 on April 1, 1954, but the remaining $9.00, which was the World War II war time peak, is far too high. It is hoped that Congress will soon see fit to put this tax back to a reasonable level.

Thomas F. McCarthy

In the distilling and importing category I believe the new year should be as good or better than last. At the distillers' level inventories are in a little better balance and the big productions at the beginning of the Korean war have been offset by sharp curtailments since. The importers look forward to a little more plentiful supply of Scotch Whisky with their other markets remaining about the same.

The wholesale distributor appears to be the worst off. He is faced with rising costs and fixed mark-ups. There is very little disposition on the part of his supplier to increase his mark-ups as there is a very natural reluctance to price increases so he must turn to attempting more efficient operation to end up in the black.

Because of the extraordinarily high taxes levied on liquor, the prosperity of the entire industry is dependent upon continued good times as I believe there is no truth in the theory of some people that Americans would rather drink than eat. The minute their standard of living is affected they will change their drinking habits.

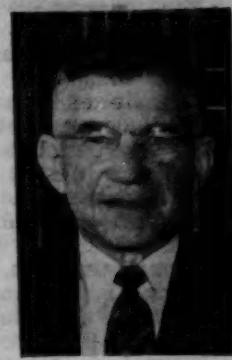
The excessively high tax has encouraged bootlegging to a marked degree and it appears to be on the increase. In the government's fiscal year ending June 30, 1953, 10,697 stills were seized and the indications are that this number will be increased for the year ending June 30, 1954. There does not appear to be any reasonable basis for estimating how many stills defy detection but it is very safe to say that the illegal liquor traffic is cutting sharply into the legal liquor business.

HON. DOUGLAS McKAY

Secretary of the Interior

I believe that 1954 will be a year of substantial progress in developing the Nation's natural resources to meet the needs of the American people.

In its first year in office, the Eisenhower Administration has established vital new guide lines for carrying out this crucial task in accord with the teamwork concept that underlies its principal programs.



Douglas McKay

The key to this new approach in the resources area is the recognition that the sound development of our natural resources is not a task for the Department of the Interior alone. We can succeed in it only through a program of genuine cooperation in which Federal agencies, state and local agencies, and free enterprise work together, each performing the function for which it is best fitted.

The Department's power policy is a case in point.

For two decades, the Federal Government through loose interpretation of existing laws has emphasized development of hydro-electric resources rather than reclamation of arid and semi-arid land.

Congress had laid down specific ground rules for disposal of electric power produced as an integral or necessary part of major reclamation development. The Department is charged by law to market the power thus created. The first general rule directs the Department to distribute the power "for the benefit of the general public and particularly for domestic and rural consumers." The second specifies that public bodies and cooperatives shall be given preference and priority in the sale of power. The Department will exert every effort to assure that this mandate is followed and that these customers receive the preference the law provides.

It also recognizes that the Federal Government does not have the exclusive right to construct multiple purpose dams, to generate power, or to transmit electric energy in any area. We recognize that there is a definite place and, indeed, the necessity for both public and private development of power.

We are also determined that there shall be no pause in the continuing task of reclamation. Witness the Department's approval of the billion-dollar Upper Colorado Water Storage project which will contribute vitally to the economic future of five important Western States. Here is a project too large for any one of the five States or any of their political subdivisions. In this case and in similar instances where the national welfare is best served, the Department will actively espouse development.

During 1954, for example, four hydro-electric projects will bring in 189,083 kilowatts and over 400,000 acres will be reclaimed for productive use.

One paramount thought will be kept constantly before the Department. Conservation should not be interpreted as locking up the resources of the country. They must

Continued on page 80

NASD District 13 Elects New Officers

Earl K. Bassett, of W. E. Hutton & Co., has been elected chairman of the District No. 13 Committee of the National Association of Securities Dealers, Inc., it has been announced. Harold H. Cook, of Spencer Trask & Company, was elected Vice-Chairman of the Committee. The District No. 13 Committee of the NASD serves all its members in the States of New York, New Jersey and Connecticut.

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(Special to The Financial Chronicle)

NEW ULM, Minn.—Carlyle A. Olson has been added to the staff of State Bond & Mortgage Co., 28 North Minnesota Street.

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• L. L. DAVIS, *Manager*
Division of
Area Development

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Continued from page 79

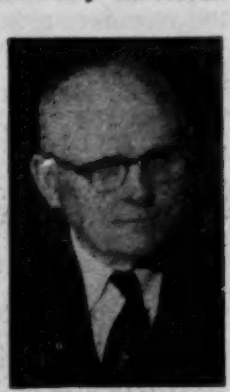
be used wisely so that the greatest good will accrue to the greatest number.

Substantial progress toward this goal will be our aim in 1954.

MAX McGRAW

President, McGraw Electric Company

In spite of the fairly common assumption that 1954 will be marked by a slight down-trend in America's general prosperity curve, I fail to detect any indications that business in most fields will be seriously affected. I also believe that the mere possibility of a down-trend here or there will have a stimulating effect on many businesses and help them to hold level with 1953 or even move ahead.



Max McGraw

In our own case, we are fortunate in having a constantly growing market for the electric light and power equipment that we manufacture for utilities and industries. Here there is no let-up in sight. In the last 10 years, the electrical industry has doubled the growth rate of industry in general and should do so again in the decade to come. Current consumption in the average home is twice what it was in 1944, and the building of new homes at an unprecedened rate keeps adding to this potential.

In the field of electrical appliances, where our company also operates, the National Electrical Manufacturers Association anticipates a drop of 5% in 1954 dollar volume below the all-time 1953 high. That must be taken into account, but I don't think that any progressive, aggressive manufacturer need accept this as applying to his own business—and we certainly don't consider ourselves bound by it.

We are aware that 1953 sales in many lines like ours were benefited by the tendency of wholesalers, retailers, and consumers to accept goods on the basis of availability first and quality second. But now we are prepared for more selective buying. Anticipating this reversal, much of our effort in the past year has been devoted to product improvement and new-product development, to satisfy the keener scrutiny of the 1954 consumer. We believe that this program will pay off in sustained sales of high-quality products, and we foresee no major threats of material shortages that might interfere with consistent progress.

JOHN E. McKEEN

President, Chas. Pfizer & Co., Inc.

The outlook for chemicals and pharmaceuticals in 1954 is related to but somewhat more optimistic than the outlook for general economic activity.

The U. S. economy has already entered a period of readjustment toward lower levels of activity and this movement will probably continue throughout most of 1954. Significant indicators of this shift are the cutbacks in steel and automobile production and heavy inventory accumulations of some durable goods. Economists report that readjustment in the primary materials and in hard goods will later extend to some other lines of activity with the net result that prices and total economic activity in 1954 will be somewhat lower than in 1953 — about 7%.

John E. McKeen

Our industry is less responsive to economic fluctuations and less likely to turn downward for two major reasons. The first of these is that we are an expanding industry geared to provide new, better, and cheaper products to satisfy well-demonstrated human needs. The second is that expenditures for food and medical care are inherently more stable than expenditures for such things as construction and consumer durables. We thus expect that domestic demand for the products we manufacture will continue to be relatively stable and may not decrease during 1954. Foreign markets will continue to be good outlets although recession in foreign trade and decreased dollar earnings of foreign countries may prove troublesome.

Pharmaceuticals and food enrichment products will continue to expand in the near future. Domestic capacity has not increased greatly in 1953 and we do not anticipate any large increases during 1954, but foreign producers are increasing their capacity to an extent which may provide significant competition.

We are highly optimistic regarding the long-term outlook for our industry for its growth is rooted in the basic needs of people. Population growth alone would be sufficient to assure very substantial growth in our industry during the next 25 years. We anticipate, however, that per capita demand for our products will also increase. The reasons for this are that we expect the age and income composition of the population in the United States to continue its present trends and expect medical research to uncover new and greater needs for treatments. We expect that the foreign market will continue to expand as world production and living standards increase.

PHILIP M. McKENNA

President, Kennametal Inc.

Man's control over natural environment has always depended upon the tools at his command. The stone age, bronze age, and iron age each made its contributions to human welfare. Tungsten carbide tool metal was introduced in 1928. Enlargement of its scope of use, begun in 1938 to include the machining of steel — in many cases at three-fold the previous output per man and machine—greatly improved American capacity to produce equipment and machinery during peace time, and weapons in time of war.

Philip M. McKenna

But such a radical improvement in tool material takes decades to penetrate the thinking of artisans and engineers, and much longer to infiltrate into the minds of generals and political authorities. For centuries the bronze knife was modeled after the familiar knife of chipped and polished flint. It was probably cast in a sand mold wtih the old stone knife as a pattern. Only slowly were the implements redesigned to take advantage of the physical properties of the new tool material—bronze—for greater effectiveness in use.

Then, as during 1953, prospects for improvement depended upon incentive and freedom of mind of many persons to attempt to improve their circumstances. Over-organization is the enemy of progress. The Cutlers' Guild in Sheffield, England, actually petitioned Parliament about 1775 to forbid the export of crucible steel because its inventor Huntsman—when he found it could not be sold to Bristol cutlers—was harming their trade by selling the metal to France, where it was made into cutlery and subsequently resold in England. Guild spokesmen said that crucible steel was too hard and, besides, made their practices obsolete.

In 1953 political authority continued to obstruct progress by weakening the means and incentive for the growth of new industry by continuation of the Excess Profits Tax, which automatically sought out any businesses which had shown their economic utility and deprived them of financial means to extend their good work. It might better have been called the "Efficiency Penalty Tax." Especially when coupled with inflation of credit and currency, made possible by lack of the gold standard, the hand of government was extremely heavy in the application of such selective taxation.

Prospects for 1954 can be good or bad, depending upon whether the American people move towards freedom and liberty, or towards more government—under the umbrella of "Administrative Law." Natural instinct for workmanship and invention is still very strong in some Americans. Centers of initiative exist which will, if permitted, design and sell tools, equipment, and devices undreamed of by others. They can do it by utilization of today's new tool metals, which are hard, strong, and corrosion-resistant beyond the range of steel. But the attainment of success of such implements will require both judgment and knowledge as well as imagination. It will be risky to those who back such innovations. But out of the successes may come great value. That has already happened when metal-cutting tools of suitable design have been provided during the past 20 years; and progress continues.

Oil well drilling is already being handled with tungsten carbide drills. Coal cutting machines are fitted with carbide-tipped bits, making such equipment increasingly profitable because they may be kept at work with fewer interruptions required for changing bits. Pump valves and parts, both in the oil industry and in the pumping of water or abrasive or corrosive sludges, will be in increasing demand as designers learn how to take full advantage of the better tungsten carbide metal.

Milling of ores, pulverizing and conveying of minerals, and molding of ceramics can benefit in 1954 from the use of equipment having critical parts made of long-lasting tungsten carbide. Woodworking, especially of plywood, artificial lumber and asbestos should find increasing use for tungsten carbide tooling in fabrication and cutting. Nozzles and pressure tubes of tungsten carbide will continue to grow in favor.

Heat-resisting titanium carbide alloys have vast fields of potential application of which only the fringes have to date been touched. Tungsten carbide inserts have provided wear plates under valve tappets in truck engines, and in critical wear areas of all types of industrial machines and equipment. Encouraging progress has been made in high-temperature experiments with applications for aircraft engine parts and gas turbines. Constant research and experimentation are currently under way in exploring many other commercial uses throughout the steel, chemical and most every other type of industry.

C. B. McMANUS

President, The Southern Company

In the Southeast we face the coming year with confidence. Any business recession which occurs is expected to consist of a slowing of our rate of growth rather than of a decline from the record levels of 1953. The operating units of The Southern Company group provide electric service throughout most of Georgia and Alabama and parts of Florida and Mississippi. The areas served by these companies comprise approximately 100,000 square miles and include more than 1,200,000 electric consumers. Since the use of electric power is a necessity in every manufacturing plant and every business establishment, our own forecast of power requirements for 1954 may be of interest as an indication of economic conditions in our service area.

C. B. McManus

Total industrial sales are expected to show a slight increase in 1954 as compared with 1953, averaging about 3½%. However, it should be remembered that 1953 was the largest year in history and that 1954 is expected to exceed the record level of 1953.

Since the end of World War II the Southeast has engaged in a period of very rapid industrial expansion as compared with many other sections of the country. Our manufacturing plants are relatively new and efficient, and it is believed that they are in a better position to maintain their operation in the face declining industrial activity.

The use of electricity by commercial customers, comprising wholesale and retail business establishments, service businesses and small processing plants, is estimated to be about 9% ahead of 1953. The use of electricity by residential customers, a measure of the standard of living of a section, is expected to be up by more than 10%. The number of residential customers should increase by about 38,000, or 4%. An estimated net increase of more than 80 in the number of industries served will help to sustain overall industrial production and the use of power in industry, as well as the economic well-being of the region. There is expected to be a small increase also in the number of commercial establishments.

The four operating companies will put into operation during 1954, 450,000 kw of new steam generating capacity to meet the growing power requirements of our area. This figure indicates our confidence in the continued expansion of business and industry not only in 1954 but in the years ahead.

CRANDALL MELVIN

President, The Merchants National Bank & Trust Co. of Syracuse, New York

The predictions of Mr. Colin Clark concerning the probable illness of the American economy in 1954 are too pessimistic. This eminent Australian economist has stated that by mid-1954 business activity in America will be at a level equal to the lowest point reached in 1949. On the Federal Reserve Board's newly revised index of industrial production that would be equivalent to a decline of nearly 30%. On the other hand, I do not agree with the sanguine predictions of those who say 1954 will be as good as 1953.

Crandall Melvin

Everyone has tried to find some fool-proof method of forecasting business activity. One such thorough-going study was that of the National Bureau of Economic Research which examined over 800 individual economic series in an attempt to find one whose changes would forecast changes in business cator. It was interesting to note, however, that last fall six of their eight best forecasting indicators were trending downward.

For 1954 it seems to me there are at least five favorable factors to note:

First, the Federal Government through the Federal Reserve System has reversed its earlier policy and has been easing credit both by lowering bank reserve requirements and by purchasing government bonds in the open market. I feel the government will continue a flexible policy with both its monetary and fiscal tools to prevent or alleviate any recession. It must do this for both domestic and international considerations.

Second, population increased in the United States by a net amount of 2.7 million during 1953. Our birth rate of about 24 births per thousand of population compares with France's 19.2, Great Britain's and Western Germany's 15.7 and with India's 26.8. This population growth portends expanding business activity.

Third, the expiration on Jan. 1 of the excess profits tax and the recent reduction in personal income taxes will deprive the government of about \$5 billion in revenues during 1954. This sum will act as a stimulant to our economy.

Fourth, a good many adjustments have already taken place in our economy. The prices of lead, zinc and copper did not go down together. Perhaps the price adjustments of lead and zinc have already largely taken place whereas the copper adjustment may still lie ahead. Other industries such as textiles and agricultural equip-

ment could be mentioned. The staggering of our individual adjustments means an easier transition.

Fifth, business expenditures for new plant and equipment may be expected to hold up well in 1954 with perhaps a decline of only about 4%. This is an important prop to our economy. Such expenditures for the first quarter of 1954 are estimated by the Department of Commerce to surpass those for the first equarter of 1953. Also I feel residential construction will hold up well.

Of course, there are also unfavorable factors for 1954. There are the problems of business inventories, the decline in defense expenditures, the decline in the demand for consumer durables, such as for automobiles, the leveling off in consumer credit, etc.

But perhaps of equal importance in judging 1954 is that vast area of imponderables: what will develop in the international situation, what will public psychology be on such things as saving versus spending, what will Congress do on foreign trade, taxes, Taft-Hartley, etc.

On balance, I feel business in 1954 will be good by all normal standards but will be less than 1953.

B. H. MERCER

Presdent, Fidelity & Deposit Co. of Maryland, Baltimore, Md.

While we write some casualty business, my comments regarding the outlook for 1954 should, I believe, be limited to fidelity and surety bonds—the lines in which we have specialized for many years. The coverages provided by our industry are very closely integrated with the financial, commercial, and even the governmental activities of our country. Thus it would seem that the slight recession or downturn in general business activity which many economists are predicting for 1954 should adversely affect our premium volume in that year. In my opinion, the facts do not justify this conclusion.

B. H. Mercer

In the fidelity bond field, 1954 is the anniversary year of a large number of three-year term risks. This alone should substantially increase the 1954 premium volume in that line, perhaps by as much as 40%. This might be termed a purely cyclical increase, but there is also good reason to anticipate increased sales of fidelity bonds, more generally known as dishonesty insurance. The losses on this line have been mounting steadily. During the last three years for which complete figures are available, the leading writers of this coverage paid losses of approximately $75,-000,000, and it is estimated that the "uninsured" losses were perhaps 10 times that amount. Although many of these losses do not "make the headlines," business leaders generally are becoming more aware that employee dishonesty is a real hazard and are insuring against it or increasing existing coverages which seem inadequate in amount.

In the field of surety bonds, those guaranteeing performance of contracts produce a very high percentage of our premium volume. While some curtailment of residential building and defense contracts seems inevitable, there is every reason to believe that public works construction generally, including Federal, should continue through 1954 at the high levels which prevailed last year. Thus our premium volume on bonds covering such contracts should likewise be maintained.

To summarize, if there is no major change in the international situation or our domestic economy, fidelity writings should increase. Surety premiums should about equal those of 1953. Profits are difficult to predict because so many factors are involved. Keener competition within our industry and among our clients seems a certainty. We must maintain high underwriting standards and at the same time give even better service to agents and assureds. That is 1954's challenge to our organization and to every member of our industry.

CLIFFORD W. MICHEL

President, Dome Mines Limited

In the vigorous, expanding economies that the two countries on the North American continent have enjoyed for over 10 years, the commentator on the outlook for the particular industry that represents his trade has generally and properly been able to express each year an optimistic belief in further expansion of production and profits for the year ahead. In that same period the Canadian gold miner, unless he were merely whistling as he passed the graveyard, could only express the view that the immediate future for his industry was drab.

Clifford W. Michel

This pessimistic point of view, forced upon the industry by conditions beyond its control, resulted from two factors, namely: the costs of production, as that of all industry, were spiraling upward; while the price received for the gold produced in Canada was declining by more than 10% in a decade. To cite a few figures of the trend that would make any businessman despair, I refer to some statistics prepared by the Ontario Mining Association for gold mines operating in that Province. From 1940 to 1952 the cost of producing an ounce of gold by those mines has increased from an average of $19.77 per ounce to $30.69, and will probably be slightly higher in 1953. In the same period the price received from the Mint has declined from $38.50 per ounce to approximately $34.22, or $4.28 per ounce less, reflecting the change of position of the Canadian dollar from that of a 10% discount versus the U. S. dollar to a premium of 3%. In short, a total of $15.20 per ounce has been taken out of the operating profit margin of the average mine. This is approximately 45% of the selling price received in the last week of 1953. It is little wonder that the Canadian gold producers have dwindled in number to 54 from 144, and that all production of gold in 1953 will be little more than 4,000,000 ounces, as against 5,300,000 ounces at its peak. Proportionately, the decline in dividends is naturally greater, the aggregate of which will be about $17,000,000 in 1953, as compared with a peak figure of $46,000,000.

The reported operating results of the industry would have been even less favorable except for the Canadian Government's assistance, colloquially known as "Cost Aid." In 1953 the assistance, while varying between mines, depending on their production costs, will probably average $4.50 per ounce produced. This program will doubtless be continued by the government, not only because it helps to keep open the frontiers of Canada, but also because it provides gold and foreign exchange reserves which could not otherwise be obtained for the Canadian Treasury. While these reserves are now at a high figure of close to $2 billion, and the Canadian dollar itself is at a premium of close to 3% over the United States dollar, additional gold is not immediately needed. But the Canadian trade balance with the United States is currently unfavorable, and the premium enjoyed by their dollar is largely due to the inflow of capital, a movement that could slow down or reverse itself, if the Canadian capital expansion program were merely to pause. Hence, the continuance of government aid, and the real possibility of a decline in the premium of the Canadian dollar, are factors that will prove helpful in keeping the Canadian gold mining industry alive.

The rash of strikes called by the CIO in the Canadian gold camps in 1953 will probably be settled by a very moderate wage increase, following the pattern of the Hollinger settlement. This further addition to operating costs, however, should be compensated for by increased labor efficiency and by the modest decline in material costs that is taking place as the post-Korean inflation changes to a period of ample supplies and falling raw material prices.

Weighing all the factors, I should say that the outlook for 1954 for the Canadian gold mining industry is neutral, and that overall operating results should not differ materially from those of 1953, excluding, of course, from this comparison those mines whose earnings were eliminated by virtue of the 1953 strikes. While no dynamic factor, such as a unilateral increase by the U. S. Government of the price of gold appears to be developing in the near future, the industry will, as our Company will, continue to look for new mineral deposits to replace those which are currently being mined.

Continued on page 82

Whitman V.-P. of Lyons & Shafto, Inc.

G. Philip Whitman of Stamford, Conn., was recently appointed Vice-President of Lyons & Shafto, Inc., of New York, Hartford and Boston. He will be associated with the New York office, 115 Broadway.

G. Philip Whitman

A graduate of Boston University, class of 1935, Mr. Whitman has worked in the municipal bond field for many years. During World War II, he served as an infantry Captain with the 94th Division. He was awarded the Purple Heart and Two Bronze Stars for valor in combat.

Mr. Whitman is a member of the Ancient & Honorable Artillery Company of Boston; Reserve Officers Association and the Boston University Alumni Club of Hartford, Conn.

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(Special to THE FINANCIAL CHRONICLE)

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Continued from page 81

DON G. MITCHELL

Chairman of the Board, Sylvania Electric Products, Inc.

Fears of a business "recession" as expressed by some economists, or any business slump more severe than a "mild readjustment" are not justified.

I firmly support the Administration's view that the economy is merly in the midst of a minor adjustment, a tapering off to lower prices and far healthier levels of production.

Don G. Mitchell

In the electronics industry particularly, 1954 will be an excellent year with intense competition, which is far healthier for the entire economy than the sellers' market which we have had for entirely too long.

Estimates of TV set sales to the public in 1954 by the entire industry range from as low as 5,000,000 to as high as 6,500,000, which would equal the record established in 1953. That figure of 6,500,000 is actually a goal, or an optimistic probability, and there is some question as to whether it can possibly be reached. But the fact that some responsible persons in the industry think it might be done is cause for optimism in itself.

The fact that color TV field tests and demonstrations of experimental models are currently widespread, emphasizes the continuing responsibility of the entire industry to keep the buying public fully informed on the availability of color sets. The consumer must have all the facts upon which to base his decision. Quite frankly, I sincerely advise anyone who is contemplating buying his first set, or replacing an obsolete one, not to wait but to buy a black-and-white receiver today. Extremely few color sets will be available this year, and they will cost between $800 and $1,000.

The entire television industry deserves strongest praise for its cooperative role in obtaining FCC approval of color TV. The work of the National Television Systems Committee, comprised of technical representatives of TV manufacturers, was vital to the development of the compatible system, and without this committee, we would not have approved color standards today.

There are about 26 million television sets in use today, but this is only the beginning. Within a few years, no more than a decade, television will be as universal as radio, which will mean some 60 million sets in use in American homes. Assuming that a TV set wears out in about eight years, the long-term demand should be between 7½ and nine million sets annually.

The growth of the use of electronic devices and equipment in industry has been gradual but is now hitting an accelerated pace. There are really no limits to what electronics can do, and technical advances are so rapid that every day some new way is discovered to use electronics to reduce costs and improve products. But the surface has barely been scratched. Tremendous opportunities lie ahead, both for the electronics manufacturers and the users of their products.

It is entirely possible that the sale of electronic products to industry and commerce will increase so rapidly that within a few years the total will exceed $1 billion. I have in mind such applications as closed circuit television for industry and schools; high-speed business communications; automatic factories; automatic control of automobile steering apparatus; private telephone-television communication; electronically-controlled home appliances; electronically-operated windows and doors; steadily improved navigational systems for aircraft and ships; satellite television, bringing TV to remote areas; and many others.

HON. JAMES P. MITCHELL

Secretary of Labor

As we enter 1954, there are many indications that our economy is in a condition favoring steady, healthy growth. In my opinion, people can be confident of the future stability of the value of their savings and earnings. Surveys indicate that business plans to continue to invest at high levels in 1954, while markets for consumer goods and services should also be active.

James P. Mitchell

Employment and purchasing power are at high levels. Consumer spending and business outlays for plant and equipment have continued firm at very high levels, although there has been some decline in expenditures for business inventories since the second quarter.

In recent months there has been some slackening in employment and production from the abnormally high levels of the first half of 1953. For the year as a whole, Americans of working age continued to be employed in record numbers and unemployment on a nationwide basis dropped to peacetime lows. Most of these employment gains were achieved in the earlier half of the year when the economy continued the sharp rise which began in late 1952. Factory employment, in particular, declined moderately after mid-1953, particularly in the metal working industries, and overtime slackened somewhat. Nevertheless, as of the year's end, factory employment remained close to the postwar peak for the month, at 16.4 million, and the factory work-week was still scheduled above 40 hours in most industry groups, indicating that overtime work was still widespread although less prevalent than earlier in the year.

Employment in non-manufacturing industries continued strong throughout the year, as a result of record construction outlays, a continued heavy volume of trade and substantial increases by State and local governments, especially for teachers. The only major groups showing significant year-to-year declines were bituminous coal mining and the Federal Government.

The Administration's labor-management relations policy has brought about more genuine collective bargaining in 1953. Management and labor have worked out their labor relations issues with smaller losses of manhours than in 1952. This is in a large measure due to the climate created by the Administration's policy of leaving to labor and management the solution of their own labor relations problems.

The basic change which has taken place stems from the fact that supply in practically every field is adequate for demand. This is a relatively new situation, but it is part and parcel of an economy of abundance.

Investment in plant facilities, machinery, and construction activity as a whole reached record levels this year. Surveys of backlogs of needs and of actual commitments already made for 1954 have been made by analysts both in my department and in the Department of Commerce, and also by private economists. It appears that in 1954 investment outlays for construction, and for capital equipment, will, in most cases, be very close to the 1953 figures and better than in any year prior to 1953. Expenditures for construction and machinery generate economic activity and employment down a long chain.

In yet another area, Government procurement, there have been too many headlines heralding a decline in defense production and not enough recognition that the total of defense expenditures will still be higher than in any earlier postwar year. In the aircraft industry, for instance, employment has recently reached a post-World War II peak. Our best information is that employment in the industry is due for some readjustment, but a substantial decline is not now in prospect for 1954. Some plants will, of course, be hit harder than others, and some may not even feel the reduction.

Consumers' expenditures represent, of course, the largest by far of all the economic forces, accounting for nearly ⅔s of our total output.

The tone of consumer demand, according to all reports, continues strong. Purchasing power is at peak levels, with real per capita disposable income 2% higher this year than the peaks reached in 1952. Wage rates continued to rise throughout the year. The average hourly earnings of the average factory worker rose by about 6 cents between January and December, reaching a record of $1.79. Savings, too, have continued to rise at a record pace this year.

In effect, the competitive system is again in full swing. The buyer can now exercise discrimination in his purchases and seek to get more for his dollar. The result can well be better values via closer scrutiny of costs and prices.

It is worth bearing in mind in times such as these that growth is never a straight line upward at a steady pace, whether it be in the case of a child or in the case of the most complex economy the world has ever known. The line of growth, examined in the perspective of years, is a jagged one—some rapid ascents, some downturns, some plateaus and some valleys. The present dip from last spring's peaks still leaves us on a very high plateau. It also leaves us in a position for sound economic growth.

R. W. MOORE

President, Canada Dry Ginger Ale, Inc.

The soft drink industry, which last year achieved the rank of a billion dollar industry, may be expected to continue its growth during the next 12 months. Events of the past year, in fact, indicate that it will be an industry to watch. To evaluate its present status, one must first go back a few years, to the period of hesitation when the beverage industry was being squeezed by rising costs, yet was reluctant to take price action to preserve its economic wellbeing. Correction of this situation over a period of time, particularly during the past year, has been the key factor in bringing the industry to a new level of prosperity. With this has come an optimism which is reflected in efforts to develop new products, new forms of packaging, and expansion of markets.

R. W. Moore

The widespread experimentation in non-returnable containers, both cans and bottles, which many beverage companies are now engaged in, is an indication of the industry's healthy outlook. As these packages are proven economically feasible, they may lead to wider distribution of our product as well as to new methods of merchandising. Also the introduction of sugar-free or dietetic beverages has tapped a new market among consumers who were not previously customers for our product. Properly approached, this market can be developed as an adjunct to the sugar-containing beverages, which themselves show no signs of reaching a plateau of demand.

As nearly as any industry can be, the soft drink industry can be classed as depression-resisting. This, coupled with the steady rise in per capita consumption as well as in national population, indicates that our prospects for another year of increased sales are highly favorable. For the national francise brands, another favorable note is the continuing trend on the part of both bottlers and consumers toward acceptance of name brands.

We at Canada Dry expect a considerable increase in the number of bottlers producing our beverages during the year ahead. This in turn means that a substantial investment will be made by these independent bottlers. Further, a fair number of our existing bottlers definitely plan to build new and larger plants, while we ourselves plan to construct two large plants to replace several which we have outgrown. I am sure that Canada Dry and its bottlers are not the only ones in the field to give this tangible expression to our confidence in the future profit potential of the soft drink industry.

E. W. MOREHOUSE

Vice-President, General Public Utilities Corporation

The present outlook in the service territory of the domestic electric power companies in the GPU system is for a dip in the rate of increase in 1954 compared with the year 1953. We now expect the rate of increase in 1954 to be slightly less than the actual rate of increase of gross revenue so far in 1953 and about two-thirds of what a year ago had been forecasted for 1953 compared with 1952. This outlook reflects some tapering off in industrial activity although over-all sales and revenues will still increase although at a lesser rate.

E. W. Morehouse

This somewhat smaller rate of increase is not expected to result in any decline in net earnings, however, as additional economies will be realized in 1954 from new and more efficient plant facilities brought into service during the year just past and in the year ahead.

The electric utility industry, of course, mirrors what is happening generally in the communities served.

CLYDE B. MORGAN

President, Rayonier Inc.

The outlook for continuing high sales of chemical cellulose to domestic customers at this time appears good. Overseas markets look equally bright from Rayonier's position. Exports of all types of chemical cellulose registered an increase of 100% for the second half of 1953 as compared with the same 1952 period. This represented 16% of total shipments for this period, approaching Rayonier's anticipation of 20% of production for overseas chemical cellulose users.

Clyde B. Morgan

Rayonier's optimism for continued expanding export markets for chemical cellulose is based upon several visible factors: foremost is the accelerated rehabilitation and revitalization of cellulose-using industries in Europe and Japan, now being felt in cellulose-producing countries. The U. S. A. has increased chemical cellulose production over 273% since 1935, the year marking the introduction of the first specific type of chemical cellulose produced for a specific product other than rayon. For 1953 the U. S. A. will have produced more than 715,000 tons. This represents nearly 50% of the free world's 1953 production.

Increased world demand for chemical cellulose can best be satisfied by North American producers, as the economic source for cellulose is trees. For only on the North American Continent are trees economically replenishable.

The rising acceptance of the cellulosics parallels recent advances made in cellulose chemistry. There are the new, improved chemical cellulose for such products as tire cord, rayon, cellophane, film and the cellulose gums. Superior tire cords and washable rayons with new high tensile strengths are soon to become available through the development of new cellulose types such as Rayocord-X which make it possible to utilize the textile industry's new high-stretch spinning techniques. This forecasts new markets for chemical cellulose, as the cellulosic fibers with their low costs may now invade the sheeting, handkerchief, shirting and other soft goods markets heretofore dominated by natural fibers.

There are indications Rayonier's policies of published and stabilized pricing, regardless of market fluctuations anywhere, are being adopted by cellulose producers outside the U. S. A. It has been Rayonier's contention that cellulose-using industries profit from such supplier policies. Price stability is an important sign of increasing world-wide acceptance and demand for the cellulosics and a strengthening of their markets.

Sales of chemical cellulose to U. S. A. cellophane, tire cord, plastics and film industries remained at a high level during 1953 and the sales outlook for 1954 to domestic and overseas customers is attractive. Rayonier does not foresee any price reductions in chemical cellulose at this time. Neither labor costs nor costs of services and supplies essential to chemical cellulose production have been reduced, and there are no indications that these costs will decrease in 1954.

Now can we say that the U. S. A. consumption of chemical cellulose will accelerate rapidly in 1954. A "snow-balling" or "explosive" increase in its consumption for any specific product has been the industry's history. Chemical cellulose growth has been remarkably

greater over the past 25 years than most basic raw materials, including steel. But for the future, the overall growth of chemical cellulose will probably be more steady and sure.

There will be major new uses for chemical cellulose in the future requiring production facilities far in excess of today's free-world capacities of some 3,100,000 tons. Industry projections show this capacity to be 3,500,000 tons by 1955. But the fact that all converters are not always at full capacity at one time is an equalizing factor placing the chemical cellulose industry into essential balance.

Broader markets for chemical cellulose are seen as living standards in the free-world improve. While the U. S. A. consumes annually over 7 lbs. of the cellulosic fibers per capita, the 2 billion free people outside use less than 1 lb. each. An increase of only 1 lb. per capita consumption in the free world outside the U. S. A. would require a 33½% increase in world chemical cellulose capacity.

Rayonier fully expects this increased demand and is preparing for it. By March, 1954 the company's fifth and newest mill at Jesup, Ga., will be in operation. It will have an annual capacity of 87,000 tons. Being constructed as "a mirror image" plant, this capacity can be doubled with comparative ease.

Rayonier's confidence in a steadily rising world-wide demand for cellulosics is supported by recent surveys which forecast world consumption of rayon and acetate fibers alone attaining an annual production of over 7 billion pounds by 1960. This is an increase of approximately 100% over current production and consumption figures.

J. D. A. MORROW

President, Joy Manufacturing Co.

Sales of mining machinery are not expected to change much from the pattern of the last few months until later in the year. Lower prices for various metals resulted in some reduction of mining operations and also slowed down exploration and development work. Demand for equipment declined in consequence.

J. D. A. Morrow

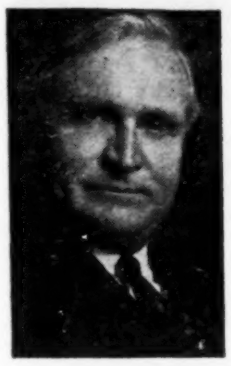
Coal operators are reviewing their present mechanization. Interest in new cost-reducing machinery is active and the outlook is for a fair volume of sales in the coal mining fields, and also in other industries mining bedded mineral deposits.

Foreign interest in American mining equipment is active and indicates a good volume of export business throughout 1954.

W. C. MULLENDORE

President, Southern California Edison Co.

The year 1953 has added another to the longest series of boom years in U. S. history. While the trend is now downward and a readjustment is under way, the momentum of this powerful boom should assure the continuance of a high level of business activity during most of 1954. The plant expansions planned in our business, for example, will go forward as planned despite the recession; and the capital expenditures of our company in 1954 of some $73 million will be approximately the same as in 1953.



Wm. C. Mullendore

Confining one's attention to the statistics of 1953 and 1954, however, tells us little except that there has been a turn. We should review the history of the past two decades in order to determine the forces back of the boom:

The depression which followed the boom of World War I brought into power a New Deal in 1933, and during the ensuing eight years, much of Socialism replaced American individualism in the policies, aims, and purposes of government and in our economic system. The free market was badly impaired. The power of initiative in economic life passed from the free citizen, operating in a free market, to government in vast areas importantly affecting our human relations—areas such as banking, credit, money-supply, prices, and even production in industry and agriculture. The theories of Lord Keynes were adopted and followed. The Federal Government enacted legislation "strengthening" labor monopoly control in industry and commerce. Government boldly and frankly undertook to redistribute the wealth and income of the people, and initiated a vast program of so-called "Social Security." By 1939 all these efforts admittedly had failed to solve unemployment and other economic and social "problems." We had a short-lived boom which subsided in 1937 and 1938, and in 1939 there were still 9,000,000 unemployed.

Then came the greatest engine for spending which man has ever discovered—preparation for and participation in the greatest war in history. The terrible waste and destruction, the forced draft upon our economy before, during and after the war, induced the inflation boom of the past decade. This inflation thus far has halved the real savings of the American people. A false and insecure scale of living has been encouraged, and a public and private debt has been contracted of such size that it can be supported only by boomtime volume of business activity.

At the beginning of the second half of the century, a world population in turmoil was divided between the more militant and less militant Socialists. One hundred sixty million Americans were saddled with the responsibility of reconstructing and partially supporting one-half of this world, while carrying the brunt of a cold war against the other half.

In 1950 came the Korean War and there was superimposed upon the already booming U. S. economy the super-boom resulting from the insatiable demands of a new war.

Since January, 1950 we have added more than $100 billion to our public and private debt. This intensified borrowing from the future enabled us to spend vast additional sums in the present. The increased debt and the proceeds thereof were widely distributed, and the entire nation's scale of living continued to rise in parallel with the increase in debt. Plant and equipment expenditures likewise rose to abnormally high levels in response to the demand of this ever-increasing level of domestic consumption. Defense and war demands comparable only with those of the record years of World War II were added. All of this unprecedented capital investment was made at existing inflated costs. Wages, taxes and capital costs are consequently frozen at high levels. Continuing high volume of business transactions is imperative if income is to enable management to cope with record high break-even points.

No man or group of men, however wise and well-informed, can know enough about the powerful and complicated forces involved in our present situation to predict exactly the percentages of growth or decline, nor the exact timing of the changes which lie ahead. We can only be certain that while we in America have built in some puny devices for control, the economic forces which will really determine what is going to happen, are much too powerful to be controlled either by wishful thinking or by artificial manipulation. It appears to the writer that, despite all danger signals, we are continuing to drive recklessly along a dangerous road which in our past history has always led to periods of serious trouble.

JAMES J. NANCE

President, Packard Motor Car Co.

With removal of controls early in 1953, the automobile industry moved into a highly competitive market sooner than it had been prepared for. Following 13 years when the industry operated under shortages and controls brought on by war and defense, 1953 saw the industry make its final post-war adjustment such as has occurred in every other industry earlier. The auto industry was the last of the major industries to fill its pipelines. For 1954, the big question is how well it can support the tremendous production capacity that has been built up. Partly because the automobile industry has grown up in just such a highly competitive market, there is every reason to believe it will meet the challenge in this turnabout year.

James J. Nance

While competition will be intense, it will help create the demand necessary to maintain the industry's economy on a high plateau. Since the automobile is the leading economic barometer of consumer investment purchases, it should lead the way to an over-all good year for business generally. There have been indications in the fourth quarter of 1953 that the first shock of having passed the longest seller's market in history from 1941 to 1953 has been made and the industry is ready for the new business climate. The most reliable

Continued on page 84

S. F. Exchange Member

SAN FRANCISCO, Calif. — Ronald E. Kaehler, President of the San Francisco Stock Exchange, has announced the election of Harry F. Flachs to membership in the Exchange, effective Jan. 18, 1954. Mr. Flachs, who is a voting stockholder and Asst. Secretary of A. G. Becker & Co. Incorporated, acquired the membership by transfer from Mr. Carl W. Stern of that company. He will act as Specialist - Odd Lot Dealer on the Trading Floor of the Exchange.

The FIFTH THIRD UNION TRUST co.

CINCINNATI, OHIO

Statement as of December 31, 1953

RESOURCES

Cash and Due from Banks		$ 96,018,223.98
United States Bonds		113,634,788.13
State and Municipal Bonds		12,327,032.32
Other Bonds and Securities		4,893,503.36
Loans and Discounts		98,598,253.24
Banking Premises Occupied		3,854,247.68
Customers' Liability under Acceptances		90,750.41
Income Accrued Receivable and Prepaid Expense		1,014,588.76
Other Resources		296,381.09
TOTAL		$330,727,768.97

LIABILITIES

Capital Stock	$ 8,000,000.00	
Surplus	12,500,000.00	
Undivided Profits	1,562,130.18	
TOTAL CAPITAL FUNDS		$ 22,062,130.18
Reserve for Dividends, Interest, Taxes, etc.		3,000,273.17
Liability under Acceptances		90,750.41
DEPOSITS:		
*Commercial, Bank and Savings		298,997,243.37
U. S. Government		6,519,690.82
Other Liabilities		57,681.02
TOTAL		$330,727,768.97

**Includes $3,922,057.70 of Trust Money on deposit in the Banking Department, which under the provisions of the Banking Law of the State of Ohio, Section 710-165, is a Preferred Claim against the Assets of the Bank.*

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indices show that 1954 should see more than 5 million passenger units produced. This will be the third highest year in the industry's history. With employment and personal savings both near peaks, we have the basic economic structure that should support a continuing high business activity for next year.

THOMAS S. NICHOLS

President, Mathieson Chemical Corp.

It is difficult to be anything but enthusiastic about the chemical industry and its prospects. We must, of course, recognize that chemicals, by virtue of their broad use, are bound to be affected by a recession in general business. But it is also true that there is no sign of any let-up in demand by industry and the public for new and better materials and products.

Thomas S. Nichols

The development of new things has always been an important part of the chemical industry. Chemical companies characteristically plan and provide for a part of each year's business to come from new products and new uses for old products. Many of the larger companies regularly realize up to 20% of their annual sales from products introduced commercially during the two preceding years. In the past this has proved to be an effective cushion against drops in demand from established markets, and I am sure it will be again should we run into such conditions in 1954. Any increase in the competition for consumers' dollars will put a greater premium than ever on the new and the better.

Along the same vein, the lifting of the excess profits tax may bring some experimental products off the shelf this year that could not risk the high cost of commercial development as long as profit potential was kept almost non-existent by the tax.

The question of over-expansion of the chemical industry has been raised. As is perhaps indicated by the remarks above, I am not particularly worried by this specter. In the first place, I see no slowing down of the long-term growth rate of the industry, a rate which over a span of more than a quarter century has been three times that of industry as a whole. Secondly, in building our plants I believe we have erred more often on the low side than on the high side in gauging the demand for our products. There is yet no real evidence of over-expansion of the chemical industry. If some excess capacity should develop in 1954, I am confident that the situation will not be of long duration.

In setting new production records in 1953 virtually the entire industry operated at top capacity, including a large amount of new plant that came in during the year as well as some rather old installations which under more normal conditions have probably outlived their economic usefulness. Retirement of these latter facilities offers a further cushion should one be needed.

To summarize, I believe the chemical industry is in a healthy condition to face whatever the new year may bring. Greater emphasis on new product development and application research will invariably in time ease any drop-off in the demand for its products.

ROBERT L. OARE

Chairman, Associates Investment Co.

Associates Investment Company and its wholly-owned finance and insurance subsidiaries are viewing the year 1954 with considerable optimism. There are a number of reasons why we feel encouragement with respect to the possibilities of the new year.

Robert L. Oare

Our organization operates in a 29-state area and in the District of Columbia. In this area is to be found the greatest density of population and most of the tools of production. Our branch organization is thoroughly trained in evaluating the districts in which they operate, and it is pertinent to us that their reports uniformly reflect confidence and optimism as we enter the new year. We of the management group respect their judgment and regard their opinions highly.

Associates is primarily engaged in the business of financing automobiles at both wholesale and retail levels. Earnings are created as our receivables mature, and we are entering 1954 with a very substantial amount of unearned income. The greater portion of this unearned income will be taken into earnings this coming year.

With respect to volume of purchases, most prognosticators in the automotive field predict that new car production will run approximately 90% of the volume of production in 1953. We believe that our organization is properly geared to the potentialities ahead; and, for this reason, we anticipate a good volume year.

The standard of living enjoyed by the average American leaves little doubt that U. S. business has been the greatest merchandiser in all history. However, the art of selling has been permitted to deteriorate in a sellers' market. The buyers' market of 1954 illustrates more than ever that the rusty sales machinery needs re-activating and will also need the lubricant of sound credit, wisely administered, without governmental control.

A careful analysis leads one to believe that our country is not in an unhealthy economic climate. Our strengths include tax reduction that can only mean additional purchasing power. There is a continuation of a high rate of government spending. The fiscal policies of the government are encouraging for business expansion. And, we must not lose sight of our ever increasing population projected at 165 million in 1955 and 171 million in 1960. As our country grows, so grows our needs and demands for goods and services.

We do not face a major recession unless we talk ourselves into it. Today there is a sense of economic hypochondria that tends to ignore the obvious strength of our economy.

Although we at Associates anticipate that the early part of 1954 may prove to be a "shake-out" period in which the overproduction of durables struggles to find a market, we also recognize the strong possibility that the evident economic strengths of our economy may prove 1954 in total to be a better year than 1953.

JAMES F. OATES, JR.

Chairman and Chief Executive Officer, The Peoples Gas Light & Coke Co.
Chairman, Natural Gas Pipeline Co. of America and Texas Illinois Natural Gas Pipeline Co.

The Peoples Gas Light & Coke Co. and its subsidiary companies begin 1954 with a customer demand for gas service which remains unsatisfied. Even though good progress was made in the system's expansion program in 1953, more than 100,000 customers in the city of Chicago alone are still on the waiting list of Peoples Gas for gas for house heating use. Other distribution companies purchasing gas from our natural gas subsidiaries also have many customers who likewise are seeking natural gas for home heating. The energies of our organization during 1954 will continue to be devoted to meeting unsatisfied customer demand in Chicago and other communities in six midwestern states.

James F. Oates, Jr.

The past year has been one of progress in the direction of establishing increased rates on behalf of the Peoples Gas enterprise so that the price of service available to customers more nearly reflects the increases in costs which public service companies have experienced over the past decade along with all other American businesses.

Last May the Illinois Commerce Commission terminated a general rate proceeding which had been in process since March of 1950 and granted Peoples Gas an increase in its rates of $4,657,000 a year, based on the operating levels as of Dec. 31, 1952. At the turn of the year the company filed further new rate schedules with the Illinois Commission calling for an additional $5,000,000 annually to pass on increases in the cost to Peoples Gas of natural gas, which increases became effective subsequently to the Illinois Commission's decision of last May.

As a result of the increase in cost of natural gas in the production fields in the Southwest and other increases in costs, the pipeline subsidiaries of Peoples Gas obtained the approval of the Federal Power Commission to certain rate increases and have other rate proceedings pending before such body. It is these increased pipeline rates which Peoples Gas is seeking to pass on.

If the public service industry is to continue to meet the ever increasing demand of its customers, good credit and financial integrity must be maintained by rate recognition of increased cost including a realistic expense of depreciation. Adequate returns for investors in utility companies must be carefully and continually maintained.

An important project in the integrated system's immediate expansion program—the construction of more than $35,000,000 in added facilities for Texas Illinois Natural Gas Pipeline Co., a Peoples Gas subsidiary—is nearing completion. This project, which will increase the daily transmission capacity of the 30-inch diameter pipeline by 130 million cubic feet of natural gas, is scheduled for completion by mid-January (1954).

A 1954 portion of the Texas Illinois expansion is the construction of a pipeline bridge with a single span of 2,150 feet and a total length of 3,690 feet across the Mississippi River at an estimated cost of $3,800,000. The bridge will supplement the present three-line underwater crossing at the same location and more completely safeguard the gas supply for the communities served.

Financing arrangements for the Texas Illinois project were completed last May and June. Since then cost estimates (exclusive of the bridge) have been revised downward from $40,000,000 to an approximate aggregate of $33,800,000. Due to the lesser costs now likely, the amount of bonds to be issued has been reduced from $32,250,000 to $27,750,000 with resultant future savings to consumers.

The combined transmission capacity of Texas Illinois as expanded and Natural Gas Pipeline Co. of America, also a subsidiary of Peoples Gas, will be over a billion cubic feet daily. Both pipeline companies supply natural gas to the Chicago region and other utilities situated in the Middle West.

Improved gas supply facilities made it possible for Peoples Gas during 1953 to extend space heating service to 30,000 more Chicago customers. These additions brought to approximately 135,000 the number of Chicago residences now heating with gas.

Another step in the company's effort to solve the supply problem has been the development by Natural Gas Storage Co. of Illinois (a subsidiary of the two pipeline companies) at Herscher (Illinois) of large underground gas storage facilities. Gas injection into the storage sand was started on a limited scale last April.

However, in August evidence of gas leakage was discovered at the project. Since that time our engineers and outside geologic and engineering experts have been conducting an exhaustive investigation. The geologists have concluded that the structure is fundamentally sound and that there is no geological fault in the formation.

A leak was discovered in one of the input-withdrawal wells last fall and remedial steps were taken immediately. However, there is still some surface activity and the investigative work is continuing. The geologists and engineers believe that any additional leaks will ultimately be traced to mechanical failure in one or more of the other deep wells—either a casing leak or a cementing imperfection at the base of one or more of such wells.

The investigation and tests will probably continue well into 1954. In the meantime it is expected that the reservoir will actually be operated during the current winter (1953-54) on an experimental and limited basis to meet the peak needs of the utility company customers including Peoples Gas. A storage company tariff has been placed into effect as of Nov. 22, 1953 with the approval of the Federal Power Commission. However, the Herscher gas storage project will not be finally proved until the reservoir satisfactorily receives, holds and delivers adequate volumes of active gas.

The public demand for service must be met as far as possible by public utilities. It is therefore believed that Peoples Gas and its subsidiary corporations will be required to expand even further and that during the foreseeable future there will be no diminution in the volume of gas service rendered in the company's consumption areas.

WILLIAM O'NEIL

President, The General Tire & Rubber Co.

American industry should forge ahead in the challenging business climate of 1954 through augmented selling and dollars plowed back into research.

Salesmen are going to have to get back to selling to meet the test of this transition period. Pounding the pavements and ringing doorbells will replace accommodating the customer by selling him your product. And the competition of increased selling will also inject new life into the national business picture.

William O'Neil

An expanding research activity began for many companies as a convenient method of benefiting from tax deductible dollars. Now it is paying off handsomely in new products pouring out of American laboratories to open up new business ventures and beef-up the nation's economy.

This spur to new product development contrasts sharply with the English situation where concerns have been permitted to invest only as much in research as they did the previous year. Thus, when wages increased and the value of the pound decreased, deductible capital available for research dwindled to a trickle.

General Tire, the world's fifth largest rubber company, just closed the books on its 38th year of operation. Final figures will not be available until February, but sales and earnings hit an all-time high of approximately $210,000,000 in sales, and earnings of about $6 a common share.

Heading into 1954, the company stands in a prominent position to capitalize on the expected banner year in replacement tire sales, and to push forward its activities in plastics, chemicals, mechanical goods, foam rubber, rockets, radio and television.

Businessmen used to remark that this is the age of specialization. General Tire has been the forerunner in a trend to make this also the age of diversification as we learn more about products by branching afield. In fact, we're now pushing the theme of specialization through diversification.

Horizons are unlimited in plastics, and General should triple its volume in this activity next year.

Our chemical division should also step into seven-league boots next year, with completion of the Ashtabula polyvinyl chloride plant, which will produce the resin for our plastics operations.

The future is bright in mechanical goods as new molded and extruded products hit the market and the demand soars. And the potential growth of our rocket and guided missile activities can only be calculated by the mathematical wizards who have developed them.

General, third in the foreign market, is garnering an increasing share of the tire and tube market abroad, and expanding in this field with retention of profits from current operations.

The company's Brazilian plant, now under construction near Rio de Janeiro, will go into production in January. A plant at Amsterdam, Holland — the company's sixth in Europe—will be completed the middle of next year to meet the rising demand in the Benelux countries.

Time was when General Tire only did business with the customer when he was riding. Now, with our foam rubber production moving into high gear, we also specialize in ease of sitting, walking, standing, and sleeping.

ROBERT G. PAGE

President, Phelps Dodge Corporation

Price and other governmental controls affecting copper were for all practical purposes terminated at the end of February, 1953. Thereafter, following an inevitable period of readjustment, copper was able to flow freely into normal channels, and industry's needs were well supplied. The domestic price, which had been controlled since the Korean War at 24½ cents, rose to 30 cents and at the end of the year was in the 29½-30 cent range.

Robert G. Page

Apparent consumption of copper—i. e., consumption by the primary fabricators—for the year 1953 was approximately the same as during 1952, or approximately 50,000 tons under 1950, the year of highest consumption except for the years of World War II. It should be noted, however, that the apparent monthly consumption for the last six months of the year was in the order of 15% lower than the apparent consumption for the first half of the year. However, the difference in actual consumption, as between the first half and the second half of the year, may well have been less than that indicated by such figures; it is probable that the customers of the fabricators added to their inventories during the first six months of the year and reduced inventories during the last six months. The supply of copper—estimated at 1,080,000 tons of copper refined from domestic mine production and scrap, plus net imports in excess of 550,000 tons—was adequate to take care of this large consumption and also to permit the primary fabricators to rebuild to some extent their severely depleted inventories.

The supply was large enough, in addition, to result in substantial increases in the stocks of blister and refined copper located in this country. It is believed, however, that such increased stocks represent almost wholly copper of Chilean origin shipped to this country, but withheld from the market as a result of the Chilean Government's insistence on a price of 36 cents per pound.

As to 1954: As the production of durable goods goes, so in general goes copper. Much of industry has been undergoing a downward adjustment from peak levels for some months, as evidenced by the drop in the durable goods index from its peak in July. Economists, with very few exceptions, hold to the view that the downward readjustment will not exceed some 5 to 10%. If that proves the correct appraisal, consumption of copper in 1954 should be at a satisfactory level. It is not to be expected that the economy will forever be geared to run at peak levels caused by the stimulus of emergency and war.

It is anticipated that the excess stocks held by the Chilean Government will eventually be purchased for the United States Government stockpile. Nevertheless, the supply of copper for 1954 should surely be adequate. Appreciable additional domestic production should be available from new mines in process of development, mainly under contracts with the United States Government. Productive capacity in various foreign countries is also being increased, although the effect in 1954 will not be important.

The trade in general has anticipated a fall in the price for some months. There are, however, several factors which may well operate to limit the rate and extent of any such decline. First, the 2 cent import tax on copper is automatically restored if the price falls below 24 cents. Second, the government contracts under which the new domestic mines are being developed permit the producers to sell their output to the United States Government stockpile at floor prices which, giving effect to escalator clauses, are believed to be mainly above 25 cents a pound. The total future production protected by floor price contracts is in the neighborhood of 1,500,000 tons, spread over varying periods of years.

T. S. PETERSEN

President, Standard Oil Co. of California

At this time of year, when many appraisers of overall economic conditions are predicting a general business decline in the coming year, it is heartening to note that the oil industry looks to 1954 as a year in which volume of business should continue to show an increase, and profits hold to present levels.

T. S. Petersen

Petroleum has been one of the great growth industries in the U. S. Since the end of World War II domestic demand has increased an average of 6.8% each year, and in almost every year during that period the industry had to struggle to meet demand. In 1954 we should expect a more normal rate of growth if business activity can be sustained, perhaps 4%. Supplies should be adequate.

It is the assurance of continuance in basic growth that permits the industry to expand capacity beyond current needs and thus provide the margin of safety so necessary during periods of emergency. It is also this growth trend that provides the vigor for which our industry is so well noted. New challenges continuously confront all segments of the industry to expand capacity and improve techniques.

On the Pacific Coast, the petroleum industry for the first time in several years enters a new year with ample stocks of the various products on hand. And in the coming year, it will continue to add to its refining capacity, so that a growing domestic market in the Far West may be supplied with all of its oil needs.

Although faced with the loss of the traditional British Columbia market, now being supplied with Canadian crude through Trans Mountain Pipe Line, West Coast refiners will supply an increased volume of military requirements which formerly were procured elsewhere.

The prospective market for oil products in this area will be well in excess of volumes which can be supplied from California oil fields, however, and it will continue to be necessary to bring in crude oil from other areas.

Emphasis of refiners during 1954, as elsewhere in the nation will be in the direction of higher quality products, reflecting the payoff of postwar research and new refining processes.

G. S. PATTERSON

President, The Buckeye Pipe Line Co.

Even though it seems to be the opinion of most economists that a moderate decline will take place in the general level of business, a slight increase in the demands for petroleum products is forecast for the coming year. However, I feel that competition in every phase of the industry will be more intense than ever and for this reason I think pipe line companies will have to bend every effort to maintain their pre-eminence in the field of oil transportation.

During 1953 The Buckeye Pipe Line Company added substantially to its facilities. Construction was completed of its new $24,000,000 Eastern Products Pipe Line System extending 368 miles from refineries and deep water terminals in New Jersey to marketing areas in Pennsylvania and New York. This line has been designed with a substantial reserve capacity to meet the ever-growing demands for petroleum products in those areas. We also increased the capacity of our Midwest Products System which now moves petroleum products from Robinson and Lawrenceville, Illinois to Indianapolis, Indiana and Toledo, Ohio. Finally by the purchase of other facilities in Ohio and Michigan, we further expanded our crude oil pipe line system in these areas.

Certainly, by this substantial capital outlay for new and better pipe line facilities, we expressed our faith in the future of the dynamic oil industry and all its phases.

F. RAYMOND PETERSON

Chairman, First National Bank & Trust Co. of Paterson, N. J.

After more than 35 years of banking experience I have long since learned that it is unwise to make any predictions about the future because a great deal depends on the psychology of the average consumer and on the policies followed by the businessmen in general. These are bound to undergo changes caused by unforeseen factors. Notwithstanding this limitation, however, experience has also taught me that if a banker heeds carefully what his customers are saying, he will have a fairly good idea as to what the immediate future may bring. My conversations with people during the past few months, particularly since business activity began to show a moderate decline, have led me to the following conclusions:

F. Raymond Peterson

(1) The people at large have a great deal of confidence in the Administration and believe that if business activity should decrease more than is generally expected, particularly if it is accompanied by an increase in unemployment, measures will be taken by the

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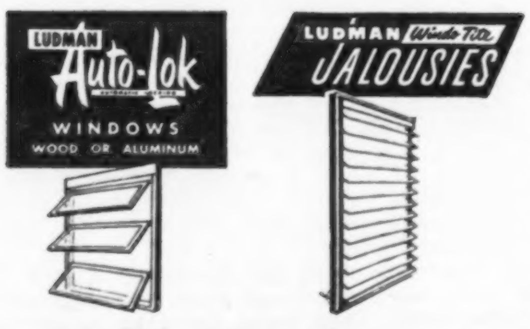

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The key to a dependable, adequate supply of natural gas is the never-ending search for additional reserves . . . a search that calls for the courage to make enormous investments of new capital.

The natural gas industry will continue to make these investments to locate new gas fields and to expand transmission capacity so long as there is adequate incentive to encourage natural gas companies to find, produce and transport this superior fuel.

PANHANDLE EASTERN PIPE LINE COMPANY

Continued from page 85

government promptly to rectify the situation. They do not consider entirely sound everything done by the Administration up to now, and the money managers were criticized for their credit policies and their handling of the government bond market in the early part of the year. This is particularly heard from builders and others engaged in the erection or financing of homes. They are satisfied that the policies of the monetary authorities have been altered, and this change is already felt in the mortgage market.

(2) Most business people believe that 1954 will be a good year—perhaps not as good as 1953 but still one of the best in the postwar period. They all agree that competition will be perhaps keener than ever before and that the margin of profit will be smaller than it was in 1953. My personal observation is that those business concerns that have good seasoned management, tried and tested in good as well as in bad times, will on the whole do well. On the other hand, some which have been established since 1940, or where the management has had no experience with a strong buyers' market and keen competition, will find the going somewhat rough. Inventories of most businesses are not out of proportion to current sales. However, if sales do not hold up, or if they should decline, then some businessmen will have to sacrifice inventories at a loss. Most business people have already made provisions for the payment of their taxes in 1954, and others are beginning to make arrangements now. Hence I do not believe that tax borrowing in the early part of next year will be very large or that many companies will find themselves in financial difficulties because of taxes. However, the Mills Plan is tending to level off the loan curve.

(3) Because consumer credit and notably installment credit has increased very sharply in the past two years, many people show some concern about the trend of consumer financing. My own experience and that of other bankers with consumer credit has been excellent. Most people pay their bills on time, and repossessions are not common. During the past few months consumer credit has not risen to the same extent as before, and it would not be surprising if in the early months of 1954 repayments were to exceed new loans. A reduction in consumer credit will improve the credit standing of many individuals and families, and if by the middle or end of 1954 new models of durable consumer goods become available, the demand for them will be substantial, and consumer credit ought to rise again. The average layman believes that only people without savings buy on the installment plan. This is not so. Many people have the money in the bank to pay for an item they desire, but they prefer to buy it on the installment plan because it is a form of forced savings for them.

(4) The decline in business activity that we have witnessed so far, accompanied by a moderate increase in unemployment, has not affected the savings of the people. Individuals as well as families save as much at present as they did in the past, and in my opinion this will continue on about the same scale as last year. The facts that savings are large, that the economic security of most people is so much greater than it was in the past, are hopeful to both manufacturers and distributors. It proves that the people have the purchasing power and that if they are offered good values or "bargains" they will utilize this purchasing power to buy the things they want or need.

To sum up, then, the general attitude of the people with whom I come in contact is hopeful. All seem convinced that while a major depression is not in the making, they realize that a free economy is bound to have its ups and downs and that after a prolonged period of a sellers' market a strong buyers' market is bound to develop. Everyone expects that the volume of business in 1954 will be somewhat lower than in 1953 and that competition will be keener than perhaps ever before, and hence the margin of profit may be lower. The advice that I invariably give to our customers is to put themselves in such a position that they are low-cost producers and distributors. After they have taken the necessary steps to improve their efficiency, they have nothing to fear. With a constantly increasing population, a rising standard of living and a dynamic economy, the general outlook remains favorable not only for 1954 but for the long-range future.

B. F. PITMAN JR.

President, Pitman & Co., San Antonio, Texas

Over the long pull I share the irrepressible optimism characteristic of the dynamic American people. However, at this time danger signals seem to forecast growing pains of unpredictable severity for our economy. While optimism is inherent in the American people, and therefore perennially fashionable, there are times like the present when it seems prudent to "cooperate with the inevitable" and try to consolidate the amazing economic progress of the past decade, rather than to continue to expand.

Benj. F. Pitman, Jr.

I realize that it is unpopular to be realistic if conclusions reached by objective reasoning are less than exuberant. One is branded as a "peddler of doom and gloom" or condemned as a participant in "talking us into a depression." Nevertheless, the popular theory that the "the American people will not tolerate another depression" seems at best to be founded on emotions rather than sound analysis. It presupposes that some nebulous influence more powerful than time tested economic forces can (and will) keep the United States economy running at "forced draft."

This theory, too, evidently assumes that government policies which encroach on our freedom, as advocated by Keynes, many of which have been discredited, will be effective in providing perpetual utopian conditions. I view with some apprehension the implication that the public will not only tolerate, but eagerly accept, continued tinkering with money and credit by the money managers. Printing press money and villainous debasement of our currency are presumably to be resumed by public demand.

While a wealthy and paternalistic central government may temporarily succeed in nullifying economic laws, unchanging prosperity, even though prolonged by borrowing, both public and private, is not, in my opinion, possible in a democracy. A "managed economy," even though wisely administered, cannot exist within the framework of the free enterprise system. Since the "managers" are constantly subjected to political pressures, it is unlikely that, even with the best of intentions, the control of business activity can or will be accomplished in the best interest of the pepole without sacrificing our cherished personal liberty.

The stifling of one economic force by legislative or executive edict causes maladjustment in other phases of business activity. The gain of one politically favored class results in a roughly corresponding loss to another.

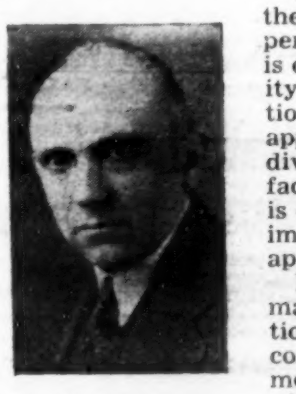
The artificial supports over agricultural products provide an example of such dislocations. On the other hand, the free play of the laws of supply and demand in the base metals industry illustrates the ideal readjustments which occur when political interference is absent or at a minimum. Under the impulse of war scares and inflation, the prices of lead and zinc went up unduly high. The incentive of these high prices caused an expansion of production, which resulted in heavy overproduction. The inevitable price collapse has occurred; marginal and high cost producing mines have already shut down, thereby adjusting the supply downward in relation to the demand. The readjustment may already be nearly completed.

In my opinion, it is neither wise nor constructive to adopt an ostrich-like attitude and complacently assume that the "marijuana prosperity" of the past 18 years is "normal." I believe that both business and political leaders should recognize the fact that our "spree" has appreciably exceeded the secular upward trend of business and living standards which has occurred in the past and which we can confidently expect in the future. To be forewarned is to be forearmed, and to me the most hopeful sign on the horizon is that many business and financial leaders have disregarded the "whoopee" emanating from political quarters, and have trimmed their sails. This indicates clear thinking without pessimism. If we rely on the "checks and balances" which are part and parcel of the free enterprise system, and stop expecting economic narcotics to be perpetually administered by Washington, the readjustment period will be neither unduly painful nor of long duration.

ABNER S. POPE

President, The Seaboard Citizens National Bank of Norfolk, Va.

When there is no problem of shortages, that is, goods are in supply and prices tend lower, the bloom is off the boom, but when we expect only moderate reduction in expenditures for plant and equipment, no reduction in capital outlay by utilities, probably some increase in expenditures by municipalities and with our most impressive customer, the Federal Government, committed to sustain the economy, we can but conclude that business will continue at a high level. Then too, many believe the recent change in Federal Reserve policy is aimed primarily at maintaining rather than restraining business activity—so I suggest caution but not fear.



Abner S. Pope

GWILYM A. PRICE

President, Westinghouse Electric Corp.

Although most economists have made plausible predictions of a slight decline in over-all business activity from 1953 record levels, industry can anticipate a "good" year in 1954 even in comparison to high-level, post-war performance. American business will face many major problems in 1954. Some of these, like high taxes, are not new, although the prospect of some relief is. Others will be tough competition for new business, integration of expanded production facilities into our economy through better distribution methods and improved sales programs, the development and production of new products, and for segments of industry the continued development and production of defense equipment which is increasing in complexity as each day passes.

Gwilym A. Price

Despite stiffer competition for new business, sales billed of Westinghouse products are expected to reach the highest peak in the company's history in 1954.

Surpassing anticipated record sales of approximately $1,600,000,000 last year, increased 1954 billings will result from the over-all steady growth of the electrical industry and from greater production made possible by the company's continuing post-war expansion program.

The electrical industry is bolstered by the prospect of a record sale of 386 billion kilowatt-hours of electrical energy in the coming year, as well as increases in electricity sales records through 1967. To meet this demand, the electric utilities have 30 million kilowatts of generating capacity on order, of which about 14 million kilowatts can be delivered in 1954.

The Westinghouse share of this business in 1954, plus a substantial backlog of orders, is expected to maintain sales of heavy apparatus equipment at 1953 rates.

The increased use of electricity plus the high level of consumer purchasing power point to a strong demand for electrical appliances and other products for the home. We expect to improve our 1953 sales in this field for several reasons. We will have additional manufacturing capacity, broadened lines of products such as home air conditioning and new traffic appliances, and expanded distribution facilities to meet customer acceptance we could not satisfy last year.

Shipments of defense products are expected to increase in 1954, as many contracts progress from the development to the manufacturing stage.

In retrospect, 1953 may well be classed as the "big" year. Economic barometers reached all-time highs. Production outstripped all records by comfortably providing for the civilian needs of a nation with the highest standard of living in history, while meeting the nation's fluctuating demand for defense equipment. Extensive research and development in many quarters led to outstanding scientific achievements in almost every field and promised even greater accomplishments in the year to come.

In atomic energy 1953 was the year of decision. The Atomic Energy Commission announced in October that it had assigned Westinghouse the job of developing the first large-scale industrial power reactor. Thus, the first civilian atomic power plant was under way.

This event, whose eventual significance can be evaluated only by future historians, may turn out to be the most important Westinghouse assignment since the company was organized in 1886 to promote the use of alternating electric current.

Like the majority of Westinghouse achievements, this major development of 1953 was rooted in research started years ago, and lends emphasis to the need for continuing research. Excluding equipment and tooling, Westinghouse spent $75,000,000 on research and development in 1953, a new record, and next year we will have the largest number of engineers working in this field in the history of the company.

Approximately $190,000,000 of the company's $296,000,000 expansion program, scheduled for completion in 1955, had been spend at the end of 1953 and a substantial portion of the remaining money will be used in 1954. At the end of the year, building completed under the expansion program included a total floor area of 6,000,000 square feet and 750,000 square feet of additional facilities were leased.

ROBERT RAE

President, The Dominion Bank, Toronto, Canada

The year ahead may prove one of consideration for the gains made by the Canadian economy in the postwar period. Continuance of a high level of national income is expected. No sharp drop or increase in business activity is looked for. Rather, gross national production is likely to closely approach the 1954 experience. Individual industries will, of course, face problems and adjustments (this is currently true of textiles and farm implements and, to some extent, appliances).

Robert Rae

In 1953 the generating forces mainly responsible for pushing national output to a new peak were consumer buying and capital investment. With personal incomes running at a peak level, no sharp drop in consumer spending is expected, especially as increased competition is expected to make prices more attractive. There may be shifts in the flow of capital investment, but the volume of new capital expenditures for plant, machinery, equipment and housing will probably not show much change. Developments in the U. S. which might adversely affect Canadian exports will be watched closely, but at the moment prospects seem to be that Canada's export position will be maintained.

In 1953 Canadian banks had a most satisfactory year and are probably in a stronger financial position than at any time in their history. Demand for commercial loans was strong and the loan portfolio of all banks increased. As a result, all of them reported higher profits.

A major development in the banking field in Canada is the legislation now before Parliament to authorize banks to lend on the security of mortgages, to assist in the construction of new housing. The new National Housing Act, which extends this new power to banks, provides for insured mortgages similar to the FHA system in the United States.

This is a radical change for Canadian banks, which heretofore have been debarred from making mortgage loans. Traditionally, they have been confined, in the main, to financing the commercial business of the country on a short-term, self-liquidating basis. Then, again, most Canadian banks are already fairly well loaned up.

Another important development in the banking field

was the increase on Dec. 1 in the rate of interest on notice deposits from 1½% to 2%. At the same time, some service charges were raised.

This year the decennial revision of Canada's Bank Act will take place. It is not anticipated that, apart from the granting of authority to lend on secured mortgages, that there will be any major changes in the Act.

JAMES H. RAND

President, Remington Rand Inc.

Development and production of new electronic data handling systems moved out of the laboratory stage into full-scale manufacturing during 1953. This not only was the outstanding achievement of the business machines and office equipment industry last year, but it opens the way to greater development in 1954.


James H. Rand

The general sales volume in most lines of office equipment and business machines showed a leveling off from increases reported in previous years.

However, the exceptional development of electronic data handling devices during the year is an indication of healthy improvement in the field of business machines and systems.

The increase in research and development of these devices, together with wider applications and greater use of electronic data handling systems in office management and business administration and controls, foreshadows a continued increase in production.

This increase has now made feasible straight-line production of electronic data handling and computing equipment. Substantial areas of our manufacturing plants were made ready during the year for production of electronic computers, sorters and related equipment.

Additional plant space was provided for manufacturing the UNIVAC, the large-scale computer which was put into production line manufacture by Remington Rand two years ago in Philadelphia. Additional space has also been provided in the St. Paul plants of the Engineering Research Associates Division of the company for increased manufacture of the ERA series of electronic computers, including the "ERA 1103," the first of which was completed during the year for the Department of Defense.

The first commercial application of a large-scale electronic data handling system, which thus far have been built primarily for government and national defense uses, will get under way early in 1954 with the installation of a UNIVAC at the General Electric Company's appliance plant at Louisville, Ky.

Two more are on order for the Franklin Life Insurance Company of Springfield, Ill., and the Metropolitan Life Insurance Company of New York.

This is of particular significance, because it introduces large-scale electronic computers to business and industry. The General Electric installation will be used for payroll operations, materials control, commercial services such as orders and billings, and general and cost accounting.

In addition to the General Electric installation, by far the most important commercial application of electronic computing equipment thus far, Remington Rand has delivered six UNIVAC systems for various U. S. Government agencies, such at the Bureau of the Census, the Army Map Service, the Department of the Air Force, the Bureau of Ships of the U. S. Navy, and the Atomic Energy Commission, which has two installations.

These are cited to indicate the increasing scope of applications of these new devices. In its survey for General Electric, which resulted in the selection of the UNIVAC for the Louisville installation, Arthur Anderson and Company of Chicago stated:

"The greatest potential benefit (of electronic computing systems) lies in the use of this equipment to provide forecasts and projections of production, marketing and other activities. The speed of the computer and its ability to handle large masses of detail through a maze of formula open new horizons to management that have not heretofore been economically possible."

During the past year several new products in the field of electronic data handling systems and other types of business machines and office equipment were developed, in addition to continued development of the UNIVAC and the ERA series.

The electronic "Speed Tally," a completely modernized method of tallying which can be applied to inventory control problems, was produced for John Plain and Company, Chicago mail order house, and put in operation in September.

The Engineering Research Associates Division of Remington Rand in St. Paul, Minn., which developed the "Speed Tally," also completed the development of a "Message Storage and Processing System," which has been installed at the Civil Aeronautic Authority's evaluation center at Indianapolis for experimental operation. This system is designed to receive and compare as many as 2,000 flight plans, creating an automatic check system for air traffic control.

Many of the new electronic developments are being modified to fit numerous aviation and air transport needs, including passenger reservation systems.

The Remington Rand "409" series of "office size" electronic computers, including the latest development of this series—the "409-2-A," primarily for commercial applications, has been produced in substantial quantities during the year, and increased production of these models is expected for 1954.

In the field of smaller business machines, a new moderate-priced accounting machine was developed and is now in production, and an improved calculating machine was demonstrated late in the year, and is expected to be in production in 1954.

FRANCIS F. RANDOLPH

Chairman of the Board, Tri-Continental Corp.

Looking back, 1953 appears to have been the most prosperous peacetime year on record. Industrial production for the year as a whole even may have exceeded the peak years of World War II. This state of prosperity was by no means uniform, however, with lower farm income and the unsettled state of a large part of the textile industry providing examples of exceptions. As the year ended, evidence of contraction at various points in the economy was increasing and the trend of business activity seemed unmistakably downward.


Francis F. Randolph

For businessmen and investors, the present situation clearly poses the problem of whether the coming year will bring an important cyclical downtrend or a more moderate piecemeal industry-by-industry adjustment from the long postwar period of prosperity. It appears at present that the contraction in business apparently now under way may be of greater magnitude than that in 1949, but will not equal, in speed or severity, that of 1937-38. In general, business and the consuming public are in good shape financially. Both business and government appear to have adjusted their thinking and to be facing the problems of decline and planning action to meet them. The economic situation in most non-Communist countries throughout the world appears stronger than a year ago. This may mean greater competition for our exports, but it may be helpful in a number of ways, particularly in sustaining commodity prices.

Expectation that decline in business activity will be no more severe than indicated rests to a considerable extent upon long range favorable factors, including the increase in population, continued introduction of new and improved products and production processes through technological advance and growth in the effectiveness of business management. It also takes into account that government is a larger force in our pseudo-peace economy than ever before and is likely to be a constructive influence with the present Administration seemingly reoriented to the idea that recession, not inflation, is the immediate problem. It anticipates effectiveness on the part of certain of the built-in features of the national economy—such as social security payments—to moderate decline, as well as specific measures—such as tax reduction—that the government may use, if need be.

The prospect for 1954 thus appears to be for a comparatively good business year even though the trend of activity may be downward rather than upward. The impact of decline on business earnings will be cushioned by the removal of excess profits taxes and perhaps even additional tax relief. Dividend payments, which have been relatively conservative in relation to earnings in recent years, should hold up reasonably well. Circumstances are such that security prices could be better maintained than under similar conditions of business decline in the past. For the investor, these prospects

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J. Grossman With S. Weinberg & Co.

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dictate investment caution until developments can be more clearly defined. But they do not call for disruption or even temporary abandonment of well-planned investment programs with sound long range objectives and based on carefully selected securities.

RICHARD S. REYNOLDS, JR.

President, Reynolds Metals Company

The year 1954 promises to be a "selling year," the biggest in the aluminum industry's history. This view is based on the following:

(1) The supply will be greater than ever before in the industry's history, assuring all consuming industries of adequate supplies.

R. S. Reynolds, Jr.

(2) For the first time since the Korean War began, the year starts without any restrictions on civilian uses.

(3) With the major part of the expansion program begun three years ago completed, the aluminum industry has shifted its emphasis from increasing production to market development and increasing sales.

Primary aluminum production is expected to approach 1,400,000 tons, about 12% more than 1953. As a result of the expansion program during the past three years and the investment of over $600 million by the domestic producers in new productive capacity and auxiliary facilities, annual output of primary aluminum was increased from 718,500 tons in 1950 to 1,250,000 tons in 1953, a jump of 74%. Additional capacity is under construction by a new producer who expects to begin actual production during 1954. Another company is reported also to be entering the aluminum production field. When their facilities are completed, the five domestic producers will have a total productive capacity of 1,550,000 tons of primary aluminum.

The widespread acceptance of aluminum by metal consuming industries, coupled with the increased supply and the maintenance of a favorable price relationship with competing materials, make the aluminum industry optimistic about 1954 sales prospects. But to realize these prospects, a vigorous sales campaign and resourceful market development work will be necessary.

The industry's major civilian market, the construction field, continues to grow rapidly as new applications are found for aluminum. One of the most striking developments is the construction industry's adoption of aluminum curtain-wall panels for office buildings and industrial structures. A dramatic demonstration of aluminum's advantages for this type of construction took place during the summer of 1953 in New York when three crews of five men each covered the entire surface of a 26 story office building with prefabricated aluminum panels in six and one-half working days. About 60 other aluminum-faced office and industrial buildings have either been built or are in the process of construction.

In the automotive field, too, the trend is towards the use of more aluminum. Some current models have over 50 pounds of aluminum as against the former average of only seven pounds per car.

The appliance and electrical markets for aluminum are also growing rapidly, as the qualities and economies of aluminum become more familiar to industry. Aluminum has become the standard material for major components of refrigerators. Long used for high voltage transmission cable, aluminum is being used now in substantial quantities for covered wire as well.

At the consumer levels, such relatively new products as household foil have become a regular item on the shopping lists of millions of housewives. "Do-It-Yourself" aluminum, introduced a few weeks ago, is already proving very popular in home workshops, especially since hobbyists find that simple woodworking tools are completely satisfactory for aluminum.

With favorable supply and price conditions prevailing and no government limitations on civilian uses, the aluminum industry looks forward to 1954 as an opportunity for unhampered selling and market development.

R. G. RINCLIFFE

President, Philadelphia Electric Co.

New records in production of electricity and gas were reached by the nation's utility companies in 1953, reflecting continued industrial, commercial, and residential expansion, as well as increased use of these utility services in existing markets. Production of electric power exceeded the astronomical figure of half-a-trillion kilowatt-hours.

R. G. Rincliffe

The year 1953 marked the end of critical material shortages, which in previous years made it difficult for the utility industry to keep pace with growing demands for service. It is a tribute to the industry that, despite handicaps experienced under emergency conditions of the past few years, America's investor-owned, business-managed utility companies have met virtually all demands for utility service and are now better prepared to meet any foreseeable demands in the future.

The electric industry installed more than nine million kilowatts of generating capacity in 1953, bringing the country's total generating capacity to 93½ million kilowatts, or double the capacity in 1942. America's electric light and power companies will continue their expansion programs in 1954 and will install more generating capacity than in any previous year. This construction program is designed to meet increased demand for electric power, which is expected to continue growing as it has over the years.

The nation will celebrate Light's Diamond Jubilee in 1954, commemorating the 75th anniversary of the invention of the first practical incandescent lamp by Thomas Alva Edison. As the electric industry reaches this landmark in its dynamic history, it can look back with pride at three-quarters of a century of service in which it has made an unparalleled contribution to America's unchallenged productive capacity and standard of living.

On the local level, the Delaware Valley will continue to maintain its position of prominence in the national economy. While planned expenditures for industrial plant expansion are expected to be 8% lower nationally in 1954, manufacturing concerns in the Philadelphia area plan 18% more construction this year than in 1953, according to the annual survey by the Federal Reserve Bank of Philadelphia.

As far as the electric requirements of industry here are concerned, a leveling off in the power needs of industrial customers now being served is expected. This, however, will be more than offset by large new contracts for additional industrial business resulting from the expansion taking place in the Delaware Valley. This company, therefore, is looking forward to and preparing for even higher demands for electric power and gas this year than the record high experienced in 1953.

Philadelphia Electric Company plans to spend approximately 20% more on new construction over the next five years than during the preceding five years in order to meet these increased demands. Estimated construction expenditures through 1958 amount to $310 million as compared to $258 million spent from 1949 through 1953. The budget for 1954 provides $76 million for new facilities, a record amount for a single year.

Of the $310 million budgeted through 1958, approximately $257 million are for new electric facilities, and the remainder for gas, steam heating, and other construction.

The amount estimated for electric facilities includes $191 million for new electric transmission and distribution lines and substations to assure an ample power supply throughout the metropolitan Philadelphia area. Also included is the cost for completing the new Cromby electric generating station on the Schuylkill River, near Phoenixville. The new station will house a 150,000-kilowat turbine-generator, which is expected to be in operation in 1954, and a 200,000-kilowatt unit, which is scheduled to be in service in 1955. The latter will be one of the world's largest generators.

Philadelphia Electric recently completed an addition to its Delaware electric generating station, in Philadelphia. Two new generating units, each with a capacity of 125,000 kilowatts, were placed in service at the station in 1953, bringing this station's capacity to 436,750 kilowatts, the second largest generating station in the system.

E. A. ROBERTS

President, The Fidelity Mutual Life Insurance Co., Philadelphia, Pa.

Nineteen fifty-three was our 75th anniversary year and on all counts was the banner year of the company's history. New highs were reached in new paid business and in insurance in force, along with other significant indices.

E. A. Roberts

Investable funds were put to work at the best yields available for many years. As a result the return on our entire portfolio showed a pleasing increase. There was a substantial volume of practically all types of securities and mortgages from which to choose.

Both the dollar and physical volume of the nation's business also reached a new high with a total output of goods and services some 5% above 1952 — itself a banner year.

So now, true to the American tradition, when some indices show signs that 1954 will not in turn top 1953, the prophets of dismay are abroad!

Our industry is, however, blessed with the knowledge that the economic weather bears least upon the decisions of men seeking to make secure the futures of those they hold dear. Our economic philosophy might be phrased:

Throughout these days of uneasy peace, as heretofore, we propose to continue aggressively to present the service of life insurance, come good weather or foul, without regard for the economic barometer.

This philosophy is nevertheless today backed with some items of significance—for our industry and many others. We need point only to the marriage rate and the birth rate to highlight the implications for many lines of business including our own. Not every year can be a banner year but 1954 will be at least a good year.

Investment-wise we believe there should continue to be a volume of mortgages for sale at rates close to those prevailing in 1953. There will probably be a good many municipal and public utility issues brought to market although the yields may not be as satisfactory as in the year just past. A smaller volume of industrials is in prospect and at somewhat lower yields.

In addition to a huge refunding job, the Treasury will be raising a large amount of new money this year with the expectation that long-term bonds will be marketable to non-bank investors.

We distrust a foggy crystal ball but 1954 shapes as a good year.

S. WYMAN ROLPH

President, The Electric Storage Battery Co.

Regarding the outlook for the storage battery industry for 1954, I will comment separately on automotive batteries and on industrial batteries.

The automotive battery outlook this year should be good. I am quite sure the aggressive automobile industry will still be turning out cars at a high production level. In addition, the automotive replacement market will be greater because of the increased car registration. In evaluating these two sources of business for the current year, the replacement battery market will probably be something over four times the requirements of storage batteries for new automobiles.

S. Wyman Rolph

With reference to the industrial storage battery outlook for the year, I expect it will closely follow the general economic situation. Storage batteries are used extensively in industry, utilities, agriculture, mining, communication and transportation. Thus, there is a great diversification in their final application as a source of packaged power. As a consequence of this wide and varied use of industrial storage batteries, sales will probably reflect the overall business trend, including government purchases.

We are looking to 1954 to show more favorable results than our 1953 operations. Our factory expansion and modernization program involving an expenditure of $20 million since 1946 is now completed.

I believe these streamlined manufacturing facilities as well as coordinated engineering and hard-hitting sales techniques will be essential to produce desirable results in the days ahead.

D. J. RUSSELL

President, Southern Pacific Co.

Southern Pacific reached a new peak of operating efficiency in 1953, reflecting the mounting results of its vast postwar improvement program.

The all-time high in operating efficiency was set in rolling up an estimated 53,040 gross ton-miles per freight train hour, 53% more than 10 years ago.

Donald J. Russell

Traffic was large in 1953, in spite of some moderate downward adjustments in national business activity during the closing months of the year. Year-end accounting will show Southern Pacific's gross operating revenues to be only about 1% less than the all-time record set in 1952.

Improvements made in the company's services helped make possible the shortening of some freight train schedules to the fastest running times in the history of the railroad. Through greater utilization of the railroad's highway trucking subsidiaries, the transit time for less than carload traffic has been shortened in a considerable number of instances. Further improvements in 1954 are contemplated. Economies have been effected and are being sought through greater use of electronic machines in the accounting side of the business.

Outstanding in the 1953 record was the fact that Southern Pacific became a predominantly diesel-powered railroad. More than three-quarters of its freight hauling now is being done by diesel locomotives, with the average locomotive performing more units of work than ever before. The railroad's postwar purchases of new locomotives averaged about one diesel unit every two days.

The railroad took delivery of approximately 6,700 new freight cars in the year. More than half of its fleet of freight cars now consists of postwar equipment, Southern Pacific having acquired 38,500 freight cars since the war. Orders were placed for 25 more streamlined passenger cars in 1953 for delivery in 1954. Elimination of poorly patronized passenger trains, and their consequent operating losses, materially helps the company to improve and extend those services the public wants and will use.

Among the major improvements begun in 1953 and scheduled for completion in 1954 is a 95-mile installation of remote control train dispatching, tying into a 98-mile installation completed this year in the Cascade Mountains of southern Oregon. A similar installation was completed in 1953 between Rosenberg and Harrisburg, Texas. Ground was broken at Houston, Texas, for a push-button freight car classification yard similar to the great yards already in service at Los Angeles and Roseville, Calif. Trailer-on-flatcar service for shippers, using trailers owned by the railroad's trucking subsidiaries, was inaugurated between several points on the company's lines. Use of radio telephones for end-to-end communication on diesel-powered freight trains was extended.

The first segment of a by-pass line being constructed to route freight traffic around congested areas in Los Angeles, begun in 1951, was placed in service in October, 1953. The project is scheduled for completion early in 1954.

Southern Pacific looks forward to greater development of the territory it serves in the Far West and the Southwest, the fastest growing areas in the nation.

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Atomic Energy and Electric Utility Securities

and his claim against the business as a whole is strengthened. A mortgage lien can never be entirely independent of the success of the business itself.

Area of Cost Reduction Is Limited

Under the most ideal conditions which can be premised today, the elimination of all fuel cost defines the maximum limit of savings presently conceivable. If we disregard the seemingly certain higher fixed charges, income statement (Table II) shows the maximum area of cost reduction to be about 14% of revenues.

The impact of nuclear power on the domestic and small commercial classes can never be of much moment because so much of their costs are allocated to transmission, distribution, and customer service expenses. They pay about 3c for a kilowatthour of energy of which about one-half cent is the actual cost of fuel. A saving of a few mills would probably have little effect under today's usages.

Is This Just Another Routine Cost Reduction?

If we were to trace the background of most utility executives, we would see that the power plant operators have always been in the forefront of the electric industry although their bailiwick represented less than one-third of the investment and operating costs. Perhaps this is because power generation is rather glamorous and their performance and properties lend themselves to more precise and comparative measurement than the other branches of the business with their minuscule parts.

Due mainly to rapid expansion, characterized by doubling its output every 10 years, electric power people have had to keep closely in touch with all new developments. In order to hold down costs and be competitive, they have had to participate jointly with each other and the manufacturers in promoting advances in technology. There are over 60 active committees in our trade associations which cover all phases of operation. These committees usually meet about three times a year and one of their main objectives is the reduction of costs. Already there are several committees active in this new field of nuclear power.

In order to paint the backdrop for this new source of energy, I asked our power plant design engineers to give me a briefing on their cost reduction progress and developments over the years. A tabular summary of their report is shown in Table III.

Continuous technical improvements have lowered both costs and prices but even now the most efficient steam plants convert only about 38% of the heat in the fuel into electric power. There has been much talk that conventional steam units may be approaching the practical economic limits of efficiency. It is thus little wonder that our power plant design engineers and graduate executives have seized upon atomic energy to meet this challenge to their record of continuous routine cost reduction.

Sunk Capital Costs Are Important to Existing Investors

The atomic furor and studies have been almost exclusively over the plant of the future. Our insurance company friends are prudently more concerned over the plant today which forms the security back of their present large holdings of electric utility debt. The problem of investing or not investing in the nuclear plant of the future can be solved when, as and if an offering of this type is ever made.

The consideration of past or "sunk" costs gives the investor added assurance that nuclear power will never be able to actually replace the conventional plant except as it wears out or maintenance and operating costs become prohibitive due to the age of the equipment. A change-over would only be feasible if the non-fixed or variable costs of the conventional fuel plant exceeded the total costs of the nuclear plant.

Can Utilities Recover Property Loss From Customers?

The handling of superseded and obsolete plant for rate making purposes has long been a problem with gas and telephone companies. In the electrical industry the advancement in the art has been steady but heretofore it has lacked spectacular and radical progress items such as the introduction of natural gas in the gas industry and automatic dialing in the telephone industry. Perhaps the introduction of nuclear power will be just that in the electrical industry.

Regulatory precedent in the gas and telephone field should allay any fears as to the ability of most electric utilities to recover from customers any large write-offs of property because of the introduction of nuclear power. Utilities could easily prove that their property losses were caused by unforeseen occurrences. If it were otherwise, progress would be stopped and expansion would be hindered.

In a situation where a gas plant was suddenly superseded by the adoption of a new process, the Supreme Court of the United States held that the lower court should have allowed in the rate base the unamortized cost of the superseded plant. (Pacific Gas & Electric vs. San Francisco 265 U. S. 403.) Excerpts from their opinion follow:

"I have referred several times to plaintiff's contention that obsolescence should be amortized after, rather than before, abandonment of a unit of plant. Specifically applied, it is urged that when it is seen that Martin station or other obsolete generator has been superseded by new Jones generators, using the improved Jones process for oil-gas, *the demonstrated economies thereby effected are justly to be devoted to reimbursing the company for the loss of capital occasioned by the obsolescence, continuing each year until the loss is made good, with interest*. On this settled program the new generator would, of course, be rated for return at replacement cost new at all times. To give the consumer a part of the advantages of the improvement, the company proposes that only half of the very considerable economies of operation shall be devoted to its reimbursement. Many advantages are urged for this plan: That it throws upon the consumer, who has the benefit of

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TABLE II

Composite Income Statement (1952) Electric Utilities in the United States

		% of Revenues	Probable Chge. Under Nuclear Pwr.
Utility revenue	$6,549,164,000	100.0	Up
Steam power expense—fuel	906,178,000	13.8	*Down
Steam power expense—other	316,745,000	4.8	U.C. (?)
All other operating expense	2,203,782,000	33.6	N.C.
Depreciation	562,448,000	8.6	Up
Taxes	1,345,144,000	20.6	Up
Avail. for int. & divs. & reinvest.	1,214,867,000	18.6	Up

*Approaching zero. U.C. Up considerably. N.C. No change.

TABLE III

Power Plant Cost Reduction Progress

	1900	1925	1953	Next
Conservation of fuel—Pounds of coal per kwh. (based on 11,700 btu. per pound)	5.20	1.40	0.77	0.72
Conservation of engineering materials—(pounds of material per kw. of generator capability)	79	18	14	13
Steam pressure—Psig.	110	400	2,000	4,500
Steam temperature—degrees F.	350	700	1,050	1,150
Larger size individual units—kw.	50	40,000	260,000	
Greater usage of equipment—utilization factor	36%	51%	56%	

Commercial State Bank and Trust Company of New York

formerly Modern Industrial Bank

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LOUIS WEINSTEIN
Senior Vice President

LIVINGSTON, LIVINGSTON & HARRIS
General Counsel

STATEMENT OF CONDITION

RESOURCES

	December 31, 1953	December 31, 1952.
Cash on Hand and Due from Banks	$14,310,506.26	$12,872,089.70
U. S. Government Securities	13,853,276.93	9,732,553.37
Loans and Discounts	38,945,029.13	34,312,125.28
Accrued Interest Receivable	53,719.09	32,590.19
Customers' Liability for Letters of Credit and Acceptances	165,941.76	——
Furniture, Fixtures, and Improvements	348,415.16	281,577.05
Other Assets	155,295.26	115,958.08
	$67,832,183.59	$57,346,893.67

LIABILITIES

Deposits		$60,410,796.64		$50,648,700.35
Unearned Discount		745,774.49		1,002,181.40
Liability for Letters of Credit and Acceptances		165,941.76		——
Reserved for Taxes and Interest		493,701.56		388,242.14
Other Liabilities		261,004.31		248,528.62
Capital Funds:				
Capital Stock	1,650,000.00		1,250,000.00	
Income Debentures	2,500,000.00		2,500,000.00	
Surplus and Undivided Profits	1,213,187.08		1,023,463.41	
Reserves	391.777.75	5,754,964.83	285,777.75	5,059,241.16
		$67,832,183.59		$57,346,893.67

Offices

MANHATTAN

116 Fifth Avenue 225 West 34th Street
528 Broadway 318 Grand Street

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332 East 149th Street

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GEORGE P. RUTHERFORD

President, The Dominion Securities Corp.

During the past several years many articles have been published in American newspapers and magazines featuring the unprecedented expansion of Canada's natural resources and manufacturing industries since the end of World War II. Few of these articles, however, have revealed the rather unusual fact that Canada has been able to finance its enormous capital expenditures for new construction, machinery and equipment with but little dependence upon foreign capital in contrast with earlier periods of expansion, when foreign capital played a major, if not vital, role.


George P. Rutherford

Canada's net indebtedness abroad at the end of 1952 (foreign investments in Canada less Canadian investments in foreign countries) was some $800 million less than at the outbreak of World War II in 1939. Since 1945, however, there have been some very significant changes in the foreign ownership of Canadian securities particularly those held in the United States. In order to clarify the nature of these changes a brief review of the extent of the new capital investment in Canada should be helpful as a basis for a further study of the two categories into which the U. S. investment is classified—namely—Portfolio Investments and Direct Investments. American capital has been important to the current development which is taking place across the border but the nature of this importance has been widely misunderstood. The purpose of this article is to correct some of these misunderstandings and to show how much and what kind of capital is today being placed in Canada by investors in the United States.

A Few Unique Aspects of Canada's Post-War Expansion

The Post-War expansion of the Canadian economy has been unique in many respects. It is not confined by any means to the much publicized and large scale developments in the petroleum, iron ore, titanium, nickel, aluminum and uranium industries, but is widespread throughout all industries — agriculture, manufacturing, forestry, housing, electric power and foreign trade. Capital expenditures for new construction, machinery and equipment have increased each year since 1946, from $1.7 billion in that year to $5.1 billion in 1952 and an estimated $5.6 billion for 1953. The aggregate for the seven years (1946-1952) is $24.4 billion, of which 74% is classified as private. While the Federal Government has maintained a high tax structure resulting in seven consecutive surpluses, it has favored private industry in many of its measures.

One of the aspects which is little understood in the United States is the extraordinary fact that the net inflow of capital into Canada from all foreign countries amounted to only $100 million, or less than .4 of 1% of the total capital expenditure. From the United States, however, there was a net capital investment of $1.5 billion or only 6% of the $24.4 billion expended in the years 1946-52. The total foreign long-term capital invested in Canada at the end of 1952 was $10.2 billion of which $8.0 billion or 78% was owned in the U. S. A. and only $1.8 billion or 18% in the United Kingdom. Twenty-five years ago 44% was owned in the U. K. and 53% in the U. S. A.

Since the end of World War II the United States investment in Canada has increased more than $3.0 billion from the inflow of capital and reinvested earnings of Canadian corporations and firms controlled in the U. S. A. The following table shows the breakdown:

The U. S. Investment in Canada

	As at December 31 (Millions) 1945	1952	Increase
Portfolio Investments	$2,686	$3,460	$ 744
Direct Investments	2,304	4,540	2,236
Total	$4,990	$8,000	$3,010

Changes in U. S. Portfolio Investments

It has been shown that in the postwar period the increase in Canadian investments classified as portfolio investments was far less than the increase in direct investments of U. S. corporations with wholly-owned or controlled subsidiaries and branches in Canada. Portfolio investments may be defined as all kinds of Canadian Government bonds and the stocks of Canadian corporations controlled in Canada. Such investments are held principally by insurance companies, banks, pension funds, and other institutions and to a much lesser extent by the general public in the United States. Portfolio holdings on Dec. 31, 1952 represented 43% of the total U. S. investment in Canada as compared with 54% at the end of 1945. The net increase in portfolio holdings of Canadian securities in the U. S. amounted to $774 million in the seven years ended Dec. 31, 1952. This gain has been due to three principal types of capital inflow. There have been large purchasers of internal issues of the Government of Canada, new issues of U. S. pay bonds of Canadian governments and corporations sold in the U. S. since 1950, and a general increase in the book value of Canadian stocks. The actual inflow from the sale of new issues of Canadian stocks has been relatively small.

Increase in the U. S. Direct Investment

The increase in the direct investment of United States corporations in Canada in the period under consideration amounted to $2,236 million of which $1,167 million was net inflow of capital and $1,069 million reinvested earnings. As in the case of Portfolio Investments most of the capital inflow was in the last three years. While most of the direct investments by United States corporations in Canadian subsidiaries is on a wholly-owned basis, a number of the more important companies, such as Standard Oil Company, New Jersey, American Telephone & Telegraph, Ford Motors Company, du Pont, Goodyear and Celanese Corporation, to mention but a few, have found it an advantageous policy to have a portion of the equity of their Canadian subsidiaries in the hands of Canadian investors. It is expected that this trend will continue in the future and that direct investments in Canada will be on more of a partnership basis than in the past.

R. E. SALVATI

President, Pond Creek Pocahontas Co.
President, Island Creek Coal Co.

The year 1954 will be one of challenges and forward progress for the bituminous coal industry. Continuing the trend of 1953, many marginal mines will close and total employment in the industry will show a decrease. This narrowing of capacity to demand will, however, favor the "career" companies and make for overall improved and stabilized operations and sales. Career workers in and about the mines will benefit from increased work opportunities and, since market requirements will be served primarily by companies well equipped to size and prepare coals to today's exacting requirements, the consuming public will have added assurance of an increased percentage of quality products.


R. E. Salvati

The nation's requirements for bituminous coal in 1954 will be approximately 460-475 million net tons. Of this total approximately 25% will move to public utilities, 25% for by-product and metallurgical purposes and the remaining 50% to general industry and retail and wholesale outlets for resale.

While costs of production and market prices have been adversely affected during 1953 by the transition from excess to balanced production, the outlook for the year of 1954 could be for a more stabilized market.

Forward progress will be recorded through the continuation and expansion of many research projects both by individual companies and industry supported activities.

Among the challenges facing the bituminous coal industry in 1954 is the maintenance of a vigilant opposition to the un-economic and short-sighted practice of allowing foreign residual oils to replace, at dump prices, coal's eastern seaboard markets. The absence of Congressional corrective action in this matter can seriously affect the outlook for 1954 and the ability of the American coal industry to serve domestic demands in times of emergencies.

LYTLE L. SALSBURY

President, The Marine National Bank of Erie, Pa.

I think that this year of 1954 will be a good year and should be very satisfactory to almost all those carrying on different types of endeavor in the business world. As to the banking field, naturally, any recession or depression in a general way reflects upon financial institutions. As is well known, we have gone through several years of extremely high planes in all types of business, and it is difficult for many of those same institutions to be satisfied with anything less.


Lytle L. Salsbury

I believe that there will be either an extensive recession or a slight depression. I cannot see the situation otherwise. The automobile industry has very extensively bogged down, and real estate is rapidly losing that inflated value which has been created during the past few years. I am a firm believer of supply and demand eventually governing all situations. That possibly cannot come into being within a year or two owing to the artificial situations created by subsidies and controls. If we will reflect a moment, we must admit that before the Korean War we were entering into quite a recession, but spending of great sums of money by the Government put us into high spending and boom times. If this over-production grows more serious and continues long enough, naturally there will be a great amount of unemployment. Unemployment means a great reduction in the amount of money in the pockets of individuals which could mean many defaults in mortgage payments on homes and in consumer credit operations.

I admit that I am one possibly more from the old school than many bankers. I think our credit situation, even today, is extended to a possible dangerous situation. I like to see more paying as you go, but, then again, business would be greatly curtailed, earnings would be much less, taxes going into the Government would be greatly lessened, which is not good for our general economy; and, having been in our present economic condition for so long, it is going to take several years for our Government to correct many evils of the past.

There is much talk of raising the debt limit another fifteen billion dollars. I believe that most bankers are against it. This seems like pouring a lot of money into certain channels to give an artificial effect upon general business.

I think that bank savings and time deposits will probably increase some during the year and that demand deposits may just about hold their own. As to loans, consumer credit loans, I think, will drop off. That has already set in to quite a degree during the past sixty days. There are, however, sizable demands for loans for expansion by industry and municipalities.

In conclusion, may I say again that I believe that 1954 will be a very satisfactory year businesswise and that earnings will be satisfactory, insuring a fair amount of dividends to investors. I believe that the banking fraternity as a whole will operate more conservatively than in the past few years. I am naturally optimistic, but I do think we all must be alert and meet and analyze very carefully all problems as they present themselves.

HENRY B. SARGENT

President, Arizona Public Service Co.

The 1954 business outlook for Arizona is bright. Despite indications of some business readjustment nationally, the influence of several powerful factors, peculiar to the west, points toward another year of growth and prosperity. These are: (1) Arizona is the nation's fastest growing state. Between 1940 and 1950, the population increased 50% to 750,000 persons. Today, population is estimated at over 850,000 and will top 900,000 by the end of the year.


Henry B. Sargent

(2) Like the state, the people are young and are good prospects for new homes, automobiles and appliances . . . and for greater quantities of food and clothing. The 1950 census figures showed that 32% of the state's population consisted of children under 15 years of age and 47% were less than 25. The corresponding national figures were 26% under 15 and 42% less than 25.

(3) Manufacturing in the state is growing by leaps and bounds. Prior to World War II, manufacturing output totaled only $36 million. Last year's volume was estimated at $300 million, and manufacturing is now second only to agriculture as a source of new wealth to the state.

(4) A tremendous mining development program is taking place. For many years, Arizona has been the leading copper-producing state in the nation and projects are now under way that will involve the expenditure of nearly $180 million in developing additional ore bodies.

The most important of these is Magma Copper Company's San Manuel property in Pinal County where $120 million is being spent to prepare it for production. An entire community with 2,200 homes and supporting business establishments is being built to serve this new mining operation. When capacity is reached in 1956, its annual output will amount to 140 million pounds of copper.

A total of about $60 mllion more is being spent by Phelps Dodge to develop the Lavendar pit near Bisbee, by American Smelting and Refining Company on its Silver Bell property in Pima County and by Miami Copper on the Copper Cities ore body near Miami. Combined production from these mines will ultimately reach about 160 million pounds of copper a year.

(5) The fine climate and scenic attractions will continue to draw tourists, who have always provided an important source of income. Last year, tourist expenditures were estimated to have been in the nature of $130 million.

Turning to agriculture, the most important source of new wealth to the state, the proposed cutback in acreage of land that will be devoted to cotton will undoubtedly have some effect on the state's economy. However, this will be more than offset by better business in other fields. Even though the land planted to cotton is reduced to only 45% of last year's acreage (and the quotas will probably be increased), farmers will obtain 60% of the 1953 crop by planting the best land in cotton and using more water. Moreover, land not planted in cotton will be devoted to other crops, principally alfalfa and feed and to pasture. Thus, the net effect on overall buying power is not expected to be more than 5%.

On the other hand, the tremendous agricultural development that is taking place in Yuma County promises to provide additional income during 1954 and the years to come. Reclamation has brought 62,000 additional acres of land under irrigation from Colorado River water since 1950 and further development is expected to provide irrigation for another 60,000 to 70,000 acres within the next 10 years.

Our company serves electricity, gas and water in Arizona with customers in 10 of the 14 counties, and we look forward to rapid future growth and a marked increase in the use of our services. We expect sales of electricity to increase 12% next year and gas sales to rise 8%.

To meet the growing demand for our service, we are making preparations to handle double our present electric load by 1956. Last year our load was 301,000 kilowatts. We now have on order three 100,000 kilowatt turbogenerators which will bring our capacity to over 600,000 kilowatts by 1956. The first of these units will

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Atomic Energy and Electric Utility Securities

the new equipment in the shape of reduced charges, the burden of the loss by supersession of equipment (410) otherwise in good condition; that it avoids the defect that is inherent in a system of setting aside reserves in advance of abandonment — namely, that while the life of a depreciable unit is difficult enough to estimate when physical decay alone is considered, it is practically impossible to forecast when we consider that obsolescence and inadequacy, which usually account for abandonments in a gas manufacturing plant, follow no rules as to time of their operation; that, finally, progress in service is promoted by giving a gas company an incentive to improvement of its machinery and its processes in the shape of increased profits. It must be admitted that if replacement of an old machine has not been sufficiently provided for by reserves in advance, a company will naturally defer installing a new machine, and so progress is halted. . . ." (Emphasis added.)

If Every Customer Owned a Reactor

No responsible person has suggested that nuclear power itself can ever become available on individual customer's premises other than those of very large power consumers. Even if it did become available through some presently unthought-of method our customer would still have the problem of generating electricity for most of his daily living and his work requirements. As nuclear power is exclusively a heat energy it might turn out to be more of a competitive problem to our gas and oil friends than the electric industry.

It is perhaps little realized that the nature of the utilization process makes it imperative to use electricity in certain items in the home and factory. In the heating items where electricity is somewhat competitive the decision as to which form of energy will be utilized in the factory depends mainly on cost alone whereas cleanliness, cost, and many other factors predominate in the home and small commercial business.

If the insurance company investor in electric utility securities still has any doubts as to the future value of his holdings he can obtain solace from the figures in Table IV. Today's customer with a reactor in his basement would still have to generate electricity for 60% of his requirements and if he had an all-electric home he would have to generate 4,350 kilowatt-hours or almost twice the average home usage for his total requirements of 2,340 kilowatt-hours as of today.

Another point in favor of the stability of the domestic customer, come what may, is his large investment in utilization equipment. This amounts to well over $1,000 for the average customer. His fixed charges on this sum are about $100 per year contrasted with his bill for electricity of $60.

In the industrial portion of the electric business we also find a great dependence on electricity, as such. Its versatility and convenience is making it more important to industry. (Table V.)

Speculation on Re-Location of Industry

Seemingly one of the things to come from any introduction of atomic energy will be fairly uniform fuel costs. This is contrary to the situation today. Thus fuel will have the same mobility enjoyed by the capital controlled by the insurance people. This should affect the various utilities differently. Perhaps coming from Detroit I am somewhat biased but I believe that "come the day" I would rather have my money invested in a company serving an industrial fabricating area. The nation has discovered time and again that people generally are not too mobile as to their place of residence. The factories and materials must be brought to them.

Utility Managements Are Alert to Possibilities

Investors in utility securities are fortunate in that no complacency has developed in the electric power industry. It has recognized its responsibility for everything having to do with the production and distribution of electricity and in the improvement of the art relating thereto.

The outstanding feature in the economic history of electric utilities has been their ever-readiness to adopt new and improved technologies. Their eager approach to the new nuclear energy resource augurs well for the owners of electric power company securities. The eventual commercial feasibility of nuclear power has been generally accepted for a long time. There has even developed a healthy competition among the several utilities as to methods of development.

Among the earliest entrants in the field was my own company—Detroit Edison—which teamed up with Dow Chemical. There were three other groups having similar contracts with AEC. Their early objectives were:

(1) Determine the engineering feasibility of designing, constructing and operating dual-purpose reactors to produce fissionable material and power; (2) examine the economic and technical aspects of building such reactors. It is estimated that the several groups spent collectively approximately $1 million in making their studies and reports.

These reports call attention to many different reactor designs that might be followed. All four groups concur in the belief that dual-purpose reactors are technically feasible and could be operated in such a fashion that the production and sale or use of plutonium would reduce the cost of electric power. Conversely, it is generally agreed that no reactor could be constructed in the very near future which would be economical on the basis of power generation alone. This will certainly be true except perhaps in remote areas where conventional fuels are expensive and transportation difficult.

In regard to the question of Government participation and aid in the development of the future reactors the groups vary widely in point of view. The Dow Chemical-Detroit Edison group believed that the Government should aid the program only through research during the design and development stages. After that point the financing and ownership of the reactor should rest in private hands. The other groups favored more Government guarantees.

There are now 30 electric companies involved in nuclear power studies. Eighteen of these utilities are associated with the Dow-Detroit Edison group and the balance

Continued on page 93

TABLE IV
Annual Energy Use in the Home

	Today's Avg. Customer Kwh.	% of Total	All Electric Home Kwh.	% of Total
Electricity used as such—				
Lighting	700	30	800	3
*Motor appliances	700	30	3,550	15
Sub-total	1,400	60	4,350	18
Electricity reconverted to heat energy—				
Space heating (panel)	--	--	12,000	--
Water heating	--	--	4,000	--
Range	--	--	1,290	--
Clothes dryer	--	--	780	--
Incinerator	--	--	660	--
Other	--	--	920	--
Sub-total	940	40	19,650	80
Total home usage	2,340	100	24,000	100

*Washers, refrigerators, freezers, air conditioners, TV, radio, etc.

TABLE V
Annual Electric Energy Use in Industry—1946

	Electricity Used as Such — Lighting	Motors	Electrolytic Cells	Elec. Reconv. to Heat Energy & Miscellaneous — Furnace	Other
Total industry	7.7%	63.2%	13.1%	13.7%	2.3%
Automobile	19.4	68.0	0.2	7.3	5.1
Iron and steel	7.2	72.0	0.4	18.7	1.7
Nonferrous metals	2.5	20.2	61.3	14.6	1.4
Chemicals	4.5	44.7	21.9	27.9	1.2
Paper	3.9	93.1	2.2	0.2	0.6
Mining	4.0	93.7	0.1	---	2.2

SOURCE: F. P. C. Summary of Industrial Electric Power in U. S.

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CFC-27

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begin generating electricity this spring, the second a year later and the third in the spring of 1956.

I am optimistic as to the business outlook in Arizona for 1954 and the years to come. With the recent manufacturing development that has taken place, the economy of the state has become better balanced and plans for expansion in this field and mining will provide additional substantial sources of income. Basically, the state has all the elements required to stimulate a rapid and healthy growth.

BRIG. GEN. DAVID SARNOFF

Chairman of the Board, Radio Corporation of America

As we look ahead into 1954, we have a clearer view of the field of science than of economics. Science and engineering in 1954 will move forward to new achievements and to electronic refinements of older services, the groundwork of which already has been laid.

David Sarnoff

Based upon standards of the past, 1954 should be a good year for the radio-television electronics industry. This does not necessarily mean that new records will be made in production and sales. It is more likely that a moderate degree of economic adjustment will take place in many industries throughout the year. But this can be achieved without dislocation of our economy.

While color television holds great potential for future expansion of the industry, electronics advanced on many fronts throughout 1953, as indicated herewith:

(1) Great strides in development of electronic weapons and instruments for national defense.

(2) Expanded and improved television broadcasting service, including progress in the use of ultra high frequencies.

(3) Development of magnetic tape recording for television in both color and black-and-white, ushering in a new era of "electronic photography."

(4) Further development and application of transitors, promising simplification and miniaturization of electronic equipment.

(5) Further clarification of radio's enduring position as a vital broadcasting service to the American public.

(6) Inauguration of the world's most powerful radio transmitter by the U. S. Navy, marking an historic milestone in world-wide communications.

(7) New levels of popularity for recorded music, sparked by progress in high fidelity records and phonographs.

(8) Progress in industrial electronics, including push-button controls, electronic computers, food sterilization, and closed-circuit television.

The year 1954 holds promise for new advances throughout the radio-television and electronic industry. Fulfillment of the promise of this new year, however, will depend upon how well the leaders of the industry meet current economic problems and the new challenges of our times.

Record Volume of Business

RCA, in 1953, produced the largest volume of business in its 34-year history, with sales in products and services approximating $830 million during the year. Net profits are estimated at $34,700,000. Dividends declared on the Common stock of RCA amounted to $20,312,000. In addition, $3,152,952 was paid in dividends on Preferred Stock. Employment totaled 65,000. Manufacturing accounts for 70% of net earnings; radio-television broadcasting, 15%; communications, 5%, and other activities 10%.

Government business accounted for $160 million, or 19% of total RCA sales in 1953, and at the year-end the backlog of Government orders was about $500 million. The total is expected to expand substantially in 1954.

NBC Organization Strengthened

The organization of the National Broadcasting Company was greatly strengthened during the past year in every phase of its operation. Sylvester L. Weaver, Jr., elected President of NBC on December 4, 1953, has an awareness of high purpose, a sincere regard for public service, proven capacity for showmanship, a thorough understanding of the advertisers' needs and problems and an appreciation of the economic facts of life in the broadcasting industry. He has youth and a breadth and depth of experience.

Robert W. Sarnoff, the newly elected Executive Vice President of NBC, has served in a wide range of capacities which include excellent experience in programming, production and sales. These two men working together as a harmonious team will lead NBC in strengthening its position as the Nation's No. 1 broadcaster and keep it at the forefront as "first" in service to the public in both radio and television.

Military Electronics

Since the end of World War II, great advances have been made in the military application of communications, radar, missile control, airborne television and many other phases of electronics which fit into the modern ramparts of our Nation's security. RCA's objective is not only to produce electronic weapons and instruments, but through research and engineering to keep the United States at the forefront of science in its relationship to military electronics.

Advances in Color Television

The date December 17, 1953, on which the FCC approved standards for the commercial broadcasting of COMPATIBLE COLOR TELEVISION, will be remembered in the annals of communications along with the historic date of April 30, 1939, when RCA-NBC introduced ALL-ELECTRONIC BLACK-AND-WHITE TELEVISION as a new broadcast service to the public at the opening of the World's Fair in New York.

RCA is proud of the leadership its scientists and engineers achieved in developing the all-electronic compatible color television system and the RCA tri-color tube.

Fortunately, the color television system developed by RCA is **compatible.** This means that existing television sets can receive color programs in blanck-and-white without any changes or additional devices. For this principle and feature of compatibility in television, RCA fought hard and long, not only to achieve it scientifically, but to advance such a system as the only logical and practical service in the interest of the public and the television industry.

Because of compatibility, no one need hesitate to buy a black-and-white television set. It will not be obsolete because of color, and it will perform many years of service. Color television sets at the outset will cost from $800 to $1,000, and production will be in relatively small quantities until the industry is geared for mass production.

NBC has completed program plans for color television's introductory year that call for each of NBC's regular productions to be broadcast in color at least once during the year—at the average rate of two programs a week.

Intensive color production activities are under way at NBC's Colonial Theatre, world's first fully equipped studio for compatible color. At the Colonial, NBC's color corps has pioneered in techniques of lighting, staging and make-up. NBC also has in operation another color studio, in Radio City, and plans have been laid for conversion to color of studio facilities in Brooklyn and in Burbank, California.

Television stations throughout the country are alert to the tremendous possibilities of color television and by slight modifications in their transmitting equipment they are enabled to pick up from the network and broadcast color shows. Five NBC-owned stations and sixty-five NBC affiliated stations have announced their intentions of doing so and more will follow in 1954. Twenty-six stations in 19 cities are scheduled to be equipped by RCA Victor for colorcasts by December 31, 1953.

Color television presents a myraid of opportunities for broadening the services of electronic communications. Color adds a new dimension to the entertainment arts. It gives a new power to advertising and greatly increases merchandising opportunities through the use of television. A new realism is added to journalism. Television as a social and educational force is greatly intensified by color, thereby opening the way for significant advances in broadcasting.

Other Television Development

During the past year television service was expanded and improved. Today, more than 27,000,000 receiving sets, or almost 60% of American homes are television equipped. Progress continues in television programming, as both the art and science of this great new medium advance hand-in-hand.

Progress in the use of UHF (ultra high frequencies) in television broadcasting during 1953 is convincing evidence that expansion of television in this direction will continue during 1954. Already there are 120 UHF stations in operation, included in the total of more than 350 TV stations now on the air.

Television is also extending its usefulness to perform new services for business and industry. Television's basic function is "extension of human sight," and wherever such applications are needed the TV camera and associated equipment are ready for practical use.

Wherever danger, remoteness or discomfort preclude the presence of human observers, the industrial TV camera comes into play. Watching operations of furnaces, handling of explosives, pouring of castings and "keeping an eye" on remote power sub-stations, or scanning factories, docks and railroad loading platforms are examples of television's service to various phases of industry.

RCA's light-weight industrial TV equipment using the small vidicon camera tube has led to substantial expansions of industrial television, and this field now becomes one of great potential for phenomenal growth, not only in factories but for banks, department stores, hotels, theatres, lecture halls and auditoriums and even for inter-office "sight" communication.

Radio

Radio broadcasting in 1954 moves into its 34th year and during that period has become intimately integrated with American life. Today there are more than 45 million radio families in the United States. There are 26 million automobile radios, and many millions of portable sets. In 1953 alone, 13 million radio sets, including nearly 5 million auto radios, were produced.

Radio Communications

Opening the most powerful radio transmitter in the world (1,200,000 watts) built for the U.S. Navy by RCA at Jim Creek Valley in the State of Washington, marked an historic milestone in world-wide communications. It demonstrates to a marked degree how teamwork between private industry and military forces contributes to the nation's welfare and to the leadership of the United States in international communications.

Magnetic Tape for Sight and Sound

A new era of "Electronic Photography" was ushered in during 1953 when on Dec. 1, RCA demonstrated magnetic tape recording of both black-and-white and color television, a devolpment of great significance to the motion picture world as well as television. Eventually magnetic tape recording of video signals should make it possible for television set owners to make their own recordings of television pictures in the home.

Transistors

Continued advances in transistors and demonstrations of their successful applications during 1953 definitely point to new developments in design and engineering of radio-television and electronic equipment that will feature simplification, miniaturization and portability.

Transistors, introduced only 5 years ago, already have proved their worth in many varied applications. Because of their small size and low current demands they will make possible smaller electronic computers as well as more compact radio and television receivers. The transistor is finding increased use in equipment for the Armed Forces especially where size, weight and battery consumption are vital factors.

Phonographs and Records

Phonographs and records reached new levels of popularity in 1953, and this renaissance may be expected to continue in 1954. In 1953 the phonograph-record industry as a whole sold more than 238 million discs. Major factors that lifted record sales to a new peak in 1953 were: Increased use of 3-speed turntables; wide acceptance of 45-rpm Extended Play recordings, and the influence of High Fidelity in generating new interest in records and phonographs. High Fidelity is a new dimension in sound created by the perfect union of recorded music and the modern electronized phonograph.

Industrial Electronics

Electronics has progressively expanded since discovery of the electron in 1897 into four great fields— (1) Communications; (2) Radio Broadcasting; (3) Radar and other military applications; (4) Television. Each of these has signified new and expanded services for some segment of our national life, and from each has stemmed discoveries and inventions which have motivated each succeeding era.

The year 1953 brought into focus the electronic developments which augur expansion into a new or fifth great area—electronization of industry. Electronics, by performing tasks that relieve human drudgery and make the most efficient use of man's productive efforts, promises to make manufacturing plants far more automatic than ever before. Already the manifestations of this advance are discernible. In fact, electronic brains are already operating in factories where, by push-button controls, production is speeded, efficiency increased and costs lowered. All this provides new opportunities for workers to develop new skills and the better utilization of their talents and energies.

Perhaps the largest factor in this new era will be electronic accounting and inventory control, not only in factories but in insurance operations, banks, transportation, public utilities and department stores. Electronic business systems will offer business and industry the opportunity of conducting bookkeeping operations at a cost that will represent a reasonable portion of their overall operating expenses. In addition, electronics will provide quicker and better information to management because electronic computers make rapid calculations and tabulations.

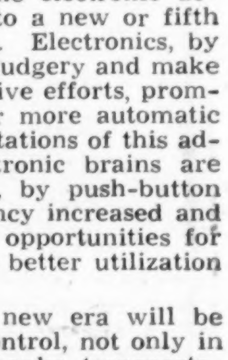
RCA now enters its 35th year, dedicated, as in the beginning, to pioneering and steadfast in purpose to give America preeminence in communications. Pioneering, vision and scientific research are vital factors in long-range planning. The opportunities ahead for business and industry, for employment, for new and useful services to the public are truly great. We will continue our efforts to do our part to advance and to merit the faith and confidence the American people have in "RCA" as an emblem of quality, dependability and progress.

EARL B. SCHWULST

President, Bowery Savings Bank, New York City

Along with other statistics on national income, personal savings in 1953 reached a new high. Savings banks participated in this growth with a gain in deposits of $1.8 billion.

As people purchase homes on mortgage and incur other types of indebtedness, their obligation to save is increased. A smaller portion of their savings is available for the optical forms of savings as represented by bank deposits and savings and loan shares. With a moderate decline in economic activity, widely predicted for the coming year, a somewhat greater decline in the growth of savings deposits is to be expected. A partial offset, of course, is to be found in reduced personal income taxes, much of which will find its way into savings. Nevertheless, deposit growth in mutual savings banks in excess of $1.7 billion in each of the last two years is hardly likely to be repeated this year.



Earl B. Schwulst

It is of interest to note that 97% of the deposit gains of these institutions since the end of the war has gone

Continued on page 94

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Atomic Energy and Electric Utility Securities

are working with other engineering, chemical and construction firms.

The Dow-Detroit Edison group is now in its second phase study of nuclear power. This consists of a preliminary design of a reactor believed to be most appropriate for commercial application. The following non-utility firms are part of the group:

The Dow-Chemical Company
Allis-Chalmers Manufacturing Co.
The Babcock & Wilcox Company
Bendix Aviation Corporation Co.
Gibbs & Cox, Inc.
United Engineers & Constructors
Vitro Corporation of America
Ford Motor Company.

In all there are 30 companies involved in nuclear power studies. Only this month four power companies and an engineering firm filed incorporation papers in nine states for Nuclear Power Co. This study group is composed of American Gas and Electric, Commonwealth Edison, Pacific Gas and Electric, and Union Electric & Bechtel Corp.

Could Be a Chance for Greater Profits

The electric power industry has been one of the leading growth industries. Due to the impact of regulation the benefits to security holders of this growth have been moderate. It is entirely possible that this picture could be changed if the suggestion made before the convention of utility commissioners Sept. 22, 1953 by Mr. W. L. Davidson, Director, Office of Industrial Development, A.E.C., is followed. After discussing the possibilities of government operation or a joint government-industry undertaking, he developed the following third possiblity—"which envisages a non-utility type of venture financed entirely by private capital. I use the non-utility term here in a generic sense, rather than intending to specifically exclude utilities from participation. But since there is admittedly a substantial risk involved here, there must perforce be a greater opportunity for reward. If utilities are to participate, either the regulatory bodies will have to adopt less rigid boundaries as to what constitutes valid risk and return for utility activities or else a large number of utilities might combine their efforts with the pro-rated costs not considered to be of such magnitude as to constitute an abnormal risk. . . . If the power produced was distributed by a utility, the purchase price between the utility and the plant owner would become a matter of interest to the local utility commission and presumably would be set at a figure close to that paid for conventional power of equivalent firmness. If by-products of the reactor could be marketed advantageously, the return on this venture might be in excess of that normally permitted utility operations."

Government Competition Is the Only Threat

At this moment the development of nuclear power offers only one threat to the safety of outstanding electric public utility securities. This one threat is government competition which could conceivably force private enterprise from the business of generating power.

Almost one-fifth of the total power generation in the United States is by government owned plants. Twenty years ago it was only about one-twentieth. This change came about mainly through the Federal Government's claim that because of their size and other involvements only they could develop large hydro-electric projects. In rebuttal, witness the recent sale of two security issues by two of our leading corporations backed only by their faith and credit which total an amount greater than the net investment in TVA or the Bonneville and Grand Coulee developments combined. The involvements of public street occupancy by lines of the Bell System and the products of General Motors have been solved over the years with no encroachments on private enterprise.

The recent decision by the Atomic Energy Commission to go ahead with the construction of a $100 million nuclear power plant as a government power project is a repetition of the philosophy expressed in the '30s on the hydro projects—"the matter is urgent and it costs too much to make it practical for private development." This is a step in the wrong direction which could do great harm to insurance company investments in securities of private enterprise electric utilities.

A New Patent Monopoly?

Art. I, Section 8—Constitution of the United States:

"The Congress shall have the power . . . To promote the progress of science and useful arts, by securing for *limited times* to authors and inventors the exclusive right to their respective writings and discoveries;" (emphasis added).

Little did the founding fathers realize that an "inventor" of a revolutionary idea could turn out to be the Federal Government itself. And little is it realized today that the first self-sustaining nuclear reactor was demonstrated at the University of Chicago over 10 years ago.

The early American patent system was based on the resourcefulness and initiative of *individuals.* Little monopoly arose because improvements were not radical enough to enable an inventor to monopolize an entire industry. Markets were local. With the growth of the large corporation and the progress of science, invention in the 20th century became a *corporate* or *group* process. With the invention and development of nuclear power by the Federal Government itself an entirely different type of inventor group has arisen. To date, the patentee has not specified exactly what it has discovered except to the chosen few cleared by the FBI. If the United States is to have a well-adjusted economy and dynamic technology, under our constitution sooner or later the production of electricity by fissionable material will have to be turned over to private enterprise on a licensing basis. A fair royalty would be the market value of using the patent although some may want to collect the billions spent by government for war purposes.

It would seem that if the constitution is observed, electric utilities will eventually be safe from this one threat which is government ownership.

Conclusion

The tenor of this general appraisal of the outlook for electric utility securities as affected by developments in the atomic field is one of considerable optimism. If they do not prove a boon to industry the only loss will be the cost of research, development and other expenses all of which are relatively minor in comparison with the resources of the interested corporations.

If we are presently approaching the end of a long boom it is quite assuring that we have progressive electric power managements who are actively seeking new earning power and increased efficiency. The great companies of today have been built on research and private initiative.

The trend of the expenses with this new process is also important to investment people. Utilities will require a relatively larger investment thus tending to firm up interest rates. Operating expenses will be decreased, at the same time increasing the functional importance of trained manpower. The individual should have relatively more money to invest in insurance.

The only shadow on this whole intriguing project is the heavy hand of government and its place in the private enterprise system. If this can be resolved, as we believe it will, utility securities should be looked upon with continued favor for many years to come.

Ohio Edison Common Offer Underwritten

Stockholders of Ohio Edison Co. are being offered rights to purchase 527,830 shares of the utility's common stock at $35.75 per share on the basis of one additional share for each 10 shares held of record Jan. 14, 1954, with the privilege of subscribing at the same price for shares not purchased through the exercise of rights. The subscription offer expires on Jan. 29, 1954, at which time an investment banking group headed by White, Weld & Co. will purchase from the company any unsubscribed shares. The group won the right to underwrite the issue by specifying a compensation of 11.9 cents per share at the competitive sale on Jan. 13.

The proceeds from the offering of new common stock and from the sale of $30,000,000 of first mortgage bonds will be used to finance in part the company's construction requirements for 1954. Proposed expenditures for 1954 total $54,900,000 of which approximately one-half will be for addtiional generating facilities. By the end of the year, the utility's capacity will have been increased by 241,000 kilowatts with an additional 135,000 kw. slated for service the following year.

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Condensed Statement of Condition
December 31, 1953

ASSETS

Cash in Vault and Due from Banks	$125,961,849.17
U. S. Government Obligations	196,553,705.32
Other Bonds and Securities, Including Stock of the Federal Reserve Bank	1,748,646.98
Commodity Credit Corporation Certificates	5,490,000.00
Loans Guaranteed or Insured by Federal Agencies	29,586,970.81
Other Loans and Discounts	157,965,827.66
Customers' Liability under Acceptances and Letters of Credit Outstanding	378,981.45
Banking Premises	2,184,335.42
Accrued Interest and Other Assets	1,999,674.10
TOTAL ASSETS	$521,869,990.91

LIABILITIES

Deposits:		
Demand	$356,220,430.55	
Time	132,927,639.59	$489,148,070.14
Acceptances and Letters of Credit Outstanding		378,981.45
Accrued Expenses, Taxes, etc.		3,179,172.24
Valuation Reserve for Loans		4,925,772.22
Capital Stock (703,125 shares, par value $16)	$ 11,250,000.00	
Surplus	11,250,000.00	
Undivided Profits	1,737,994.86	
TOTAL CAPITAL ACCOUNTS		24,237,994.86
TOTAL LIABILITIES		$521,869,990.91

United States Government obligations and other assets carried at $57,141,190.90 are pledged to secure trust deposits and public funds and for other purposes as required by law.

★

Statement of Earnings

	1953 4th Quarter	1953 Year
OPERATING EARNINGS		
Operating Income	$ 3,478,514.65	$13,239,955.13
Operating Expense	2,418,750.07	9,100,915.97
Operating Earnings before Federal Income Tax	$ 1,059,764.58	$ 4,139,039.16
Provision for Federal Income Tax on Operating Earnings	350,000.00	1,875,000.00
NET OPERATING EARNINGS BEFORE RESERVES	$ 709,764.58	$ 2,264,039.16
Transferred to Valuation Reserve	400,000.00	400,000.00
NET OPERATING EARNINGS AFTER RESERVES	$ 309,764.58	$ 1,864,039.16
LOSS ON SECURITIES SOLD—AFTER TAXES	$ 405,389.58	$ 411,904.94

Per Share Earnings

(Based on 703,125 Shares Presently Outstanding)

	4th Quarter	Year
Operating Earnings before Federal Income Tax	$ 1.51	$ 5.89
Provision for Federal Income Tax on Operating Earnings	.50	2.67
NET OPERATING EARNINGS BEFORE RESERVES	$ 1.01	$ 3.22

Statement of Surplus and Undivided Profits

	4th Quarter	Year
Total—Beginning of Period	$11,709,931.86	$10,870,175.64
Additions:		
Current Earnings	309,764.58	1,864,039.16
Premium on Sale of Capital Stock	1,687,500.00	1,687,500.00
TOTAL ADDITIONS	$ 1,997,264.58	$ 3,551,539.16
Deductions:		
Loss on Securities Sold—After Taxes	405,389.58	411,904.94
Extraordinary Expense—Sale of Capital Stock	88,815.00	88,815.00
Dividends Paid	225,000.00	900,000.00
TOTAL DEDUCTIONS	$ 719,204.58	$ 1,433,719.94
Total—End of Period	$12,987,994.86	$12,987,994.86

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into mortgage loans, making possible the increasing interest-dividends their depositors have enjoyed. A continuation of the trend toward larger mortgage portfolios is to be expected because of the breadth and depth that market is likely to enjoy over the coming months.

First, home construction is at a high level and is expected to continue as population growth and incomes continue satisfactory. Second, the trend toward higher interest-dividends to depositors has made the acquisition of higher earning assets the first order of business with savings banks.

Last year's action of the New York State Banking Board in removing dividend restrictions assures a healthy return to normal competitive conditions. The recent improvement in the bond market at first glance would seem to augur lower rather than higher earnings for savings banks. It could have the opposite effect, however, in that building up earnings through larger mortgage portfolios is a matter of asset conversion as well as investment of new funds. With restored confidence in the bond market and only 47% of assets invested in mortgages, there exists a wide area for additional mortgage acquisitions. Lastly, and this seems of utmost importance to me, the conditions for such asset conversion have seldom been better. The spread in yield between prime mortgages, as measured by FHA and VA mortgages, and high grade bonds, has increased substantially with the new rates made effective last spring making the former a better investment than ever.

Savings bankers are alert to these conditions and may be expected to take advantage of them to increase the earnings on the deposits entrusted to them.

FRANK A. SEWELL

President, The Liberty National Bank and Trust Co., Oklahoma City, Okla.

We have definitely passed the economic peak, but I believe 1954 will be another good year for business in Oklahoma. It won't match 1953 when we set an all-time record for business activity, but it should be a good year by any other standard. We are returning to a more normal economy where competition will have full play and the "customer" will regain his throne.

Frank A. Sewell

According to the University of Oklahoma bureau of business research we were going strong toward the end of 1953. It called attention to the fact that the index of business activity in Oklahoma at the end of November, 1953, was 271.8% of the 1935-39 average. This represented an increase of 2.3% over October, and 4.5% over November of 1952.

Retail sales in Oklahoma during the first 11 months ran about 20% above 1952. Retail sales in November, 1953 were $15,000,000 above November, 1952. The Manager of the Oklahoma City Retailers Association says Christmas business in 1953 equaled or exceeded that of 1952, and prospects for live retailers in 1954 are good.

Agriculture, our greatest source of income, had some real headaches in 1953, what with the drought and severe drop in cattle prices. However, our cotton crop exceeded the ten-year average with 180,000 bales more than in 1952 on 190,000 less acres. Corn production was the lowest on record, but sorghum grain nearly doubled that of 1952. The aggregate value of 26 principal crops was $50,000,000 less than in 1952. This was due mainly to a short wheat crop of 37,500,000 bushels under the bumper 1952 crop. According to the agricultural statistician of the U. S. Department of Agriculture, the outlook for our 1954 wheat crop calls for 2,570,000 bushels more than 1953 on 18% less acreage. Weather has been almost ideal for wheat growth.

In spite of the great numbers of cattle marketed because of lack of range and pasture in 1953, cattle population is little different from what it was a year ago. This year, however, cattle are generally in good shape and on excellent pasture.

Employment set an all-time record in 1953. However, the tendency now is downward slightly. Because of the diversity of the business structure in Oklahoma the total state economy, including labor, looks healthy.

Fewer homes will be built in 1954, and less industrial construction is probable. There may be, however, some increase in construction of schools, hospitals, hotels, and some public utilities. Less overall construction is likely.

The oil industry, second only to agriculture in Oklahoma, is in good condition. Production decreased some in October and November due partly to a drop in well completions toward the end of the year. On the whole, the outlook in the petroleum field is good.

Taxes are important here, as elsewhere, and Oklahomans welcome the 10% reduction in Federal income taxes in 1954 along with elimination of the corporation excess profits tax.

Banks, generally, are in excellent condition and have plenty of money available to take care of business' legitimate needs.

W. W. SEBALD

President, Armco Steel Corp.

We believe 1954 will be a year of good business.

As an indication of our confidence, at Armco we plan to spend as much for capital improvements in 1954 as we did in 1953—not to enlarge capacity but to increase efficiency and reduce production costs.

W. W. Sebald

Looking ahead to 1954 we estimate that the over-all demand for steel should reach close to 100,000,000 tons of ingots. Although this is about 12% less than the total steel output for 1953, if our estimates are correct 1954 will be the 3rd largest steel production year in history.

The reduction in steel demand this year will be spread over most of the steel consuming industries. We expect the construction, automobile, electrical and home appliance industries to have a reasonably good demand for their products though they will not produce as large a volume as 1953. Exports of American made steel also may be down somewhat because increased capacity and modern equipment in some foreign countries, along with lower labor costs, will make it more difficult for American companies to compete.

We view the anticipated reduction in volume of business in the nature of a mild adjustment. Since the end of World War II we have had an almost constant increase in the volume of business. After such a sustained period of high production, it is fortunate that we can look forward to the coming year with optimism instead of pessimism.

We know that people's wants and desires are never satisfied. There is a huge demand for industry's products and for services of all kinds as people everywhere look forward to a higher and higher standard of living. The markets are there if production costs can be kept low enough so that consumers can afford to buy.

The problem facing practically all industry today is to reduce production costs. In order to solve it, investment for replacing and improving old equipment, we believe, will continue at a high rate. This should maintain a good rate of operations in the capital goods industry. In the steel industry, for example, it is estimated that about a billion dollars will be spent on capital improvements during 1954.

Economists and other business prophets judge the economic health of the steel industry by its rate of operations. In my opinion this is the wrong yardstick. Business conditions in most industries are judged by how many units are produced—not by how many the industry has the capacity to produce. Practically all industries have larger capacity than they consistently use. Why should a different yardstick be used on steel?

Barring an upheaval in world conditions, we look forward to a year of good business in 1954.

L. D. SILBERSTEIN

**President, Pennsylvania Coal & Coke Corp.
Chairman, Industrial Brownhoist Corp.**

There is every reason to believe that the coming year will be a favorable one. Shifting degrees of activity are bound to be seen and a "leveling off" process can be expected by some industries. However, the American economy was never stronger, and I am confident that the overall degree of national prosperity will continue high.

L. D. Silberstein

Merely to satisfy the normal day to day needs of a population of 160,000,000 American people, grown accustomed to living at a comfortable standard, will call for an active rate of employment among American workers. The oversea demand for our products is an additional backlog. Many peacetime projects, private as well as public, were hitherto postponed by reason of war priorities. These will at last get under way.

Projects of government bodies, such as building construction and road making can be expected to take up much of whatever slack may manifest itself by reason of a reduction in the output of war materials. Not that military expenditures will be drastically lowered—so long as Communist nations demonstrate their belligerent nature such a likelihood is not possible.

Of over-riding importance is the wonderful vista unrolled by President Eisenhower for the free world in his stirring talk before the United Nations. Properly handled, atomic power for peacetime purposes may bring undreamed of prosperity for the world. I believe that the day when atomic energy will be used as a source of power for the peacetime needs of the nation is closer than is generally believed. Toward that end, Oscar L. Chapman, former Secretary of the Interior, and a member of the Board of Directors of Pennsylvania Coal & Coke Corp., will be asked to present his recommendations for our participation in the Atomic Energy program to the next meeting of the Board. We are prepared to take every practical step to speed the day when peacetime atomic power reactors begin to serve the needs of the American home and American industry. Mr. Chapman is making his study now.

A further favorable factor that can be counted on in 1954 is the country's strong credit position. With no evidence of inordinate over-borrowing on the part of the public, or of strain in the banking situation, we can count on a liberal flow of banking credit, at a low rate, to support whatever activity is undertaken.

GRANT G. SIMMONS

President, Simmons Company

Frankly, I hesitate to write 500 words on the outlook for 1954 because I believe so much will depend on the psychology of the American people. Most overtime will be eliminated; there will be some actual unemployment. The big question is will the American people get scared.

I personally do not believe they will, and I think 1954, while off from recent peaks, will not be a bad year.

H. E. SIMPSON

President, The Baltimore & Ohio Railroad Company

In the last quarter of 1953 there was a softening in industrial production in the country which is reflected in railroad carloadings. It is anticipated this lower traffic volume will continue into 1954. This company now estimates its traffic for the first half of 1954 will be about 10% less than the same period in 1953; for the second half of the year we estimate the traffic will average about 5% less than the second half of 1953. This means an overall reduction for the year 1954 of about 7% less than the year 1953. We expect industry to move at a slower pace than in 1953, but we do not anticipate a depression volume of business.

H. E. Simpson

The company is in excellent condition to handle the forecasted volume efficiently. We have a program of desirable improvements, but they are of such type as to permit us to proceed with them as funds become available on a month to month basis.

SPYROS P. SKOURAS

President, Twentieth Century-Fox Film Corp.

For the first time since free and convenient home television began to affect motion picture patronage, it is my opinion, as we enter the year 1954, that the motion picture industry has surmounted its difficulties in meeting this competition by adopting realistic and daring measures in order to attract and hold audiences for superior screen entertainment.

Spyros P. Skouras

For this reason, I am satisfied that the industry will be totally successful in preserving for itself an important and profitable segment of the entertainment market, not only in the United States, but throughout the world.

This is my considered opinion after a year of tremendous challenge and gruelling endeavor.

For approximately seven years, our industry has faced the formidable problem presented by the growth of television and has been unable, on the whole, to cope with this problem by offering nothing more than the familiar form of screen entertainment, even though many fine motion pictures have been produced and exhibited with the old methods. These seven years have been lean ones for all branches of our business and disastrous ones for many struggling motion picture theatres.

Now the steady scientific research which has gone on through the years to supplement the art of showmanship has made possible new techniques in production and in exhibition, enlarging the horizons of the camera and affording audiences an entirely new and different experience in the theatres. The public throughout the world has shown a most gratifying response. At the box offices, the crescendo of approval tells us unmistakably that better entertainment has ended the lean years and that a more rewarding period has begun.

In CinemaScope, which Twentieth Century-Fox has not only introduced, but made available to the industry, science has given us a happy combination of improved lenses, stereophonic sound and wide screens which constitutes a revolutionary change. With this system, the producer has infinitely greater scope in producing more compelling motion pictures, whether of a spectacular or intimate nature and the exhibitor, using the system, can captivate audiences. Though this system is new, improvements in it are progressing so that even more latitude is given for production techniques and alert showmanship.

Inevitably, these new techniques call for an even better product that will make it difficult for any competition to encroach upon the motion picture market.

Even so, 1953 saw a greatly improved product for the whole industry. Therefore, 1954 holds a bright promise for substantial improvements in the box office appeal and quality of pictures.

When Cinerama established itself during the past year and the public acclaimed it, it was demonstrated that the public was hungry for an improved technical type of entertainment. Cinerama can be shown in important cities but CinemaScope can be shown anywhere.

Certainly, the public's overwhelming approval of CinemaScope has been manifested by the greatest worldwide volume of film rentals for 1953 this company has ever known and an accelerated pace for 1954 which we

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How Shall We Reason for 1954?

year strong was that the steel-making and steel-using industries entered the year considerably behind on their production schedules because of the steel strike of late 1952. For some months they were on a catching-up basis. This meant big payrolls, with premium wages for overtime, heavy tonnages for the railroads, and in general an element of strength carried over from '52 rather than marking a level of activity that could be expected permanently. By the end of the year, steel supplies began to outrun demand, and operations dropped below the 90% level.

Second, 1953 business got a considerable push in November, 1952, when the country elected a new Administration "friendly" to business and pledged to "sound" money. The momentum from this source was at least in part spent during 1953 as the public learned that sound money was linked with higher interest rates and that moving toward a balanced budget meant extending the Excess Profits Tax to the end of 1953 and cancelling procurement contracts and that consumer purchasing power was trimmed as government waste through overstaffing was reduced. Some thoughtful observers have referred to 1953 as the "Eisenhower confidence boom." Only time will tell whether the President's recent State of the Union message and what follows it will give equal or greater momentum to the economy of 1954.

Third, it seems likely that the psychological influence toward free spending by consumers and businessmen as a result of the termination of four classes of Korean War taxes did more to add to the business momentum of 1953 than it will do to generate new momentum in 1954. There is an old saying that "Anticipation is sweeter than realization," and the anticipation of tax savings affected workers who were fully employed and many of them earning overtime. But the realization of these savings will in part affect people who have less pay and more uncertainty. In some cases the advertised savings will not materialize at all because the worker will have no taxable income. It may appear in the end that promised tax reductions did more to add to the boom of 1953 than they will contribute to arrest a recession or assure recovery in 1954. Indeed the President has now asked Congress to continue the 52% corporation profits tax and the special excise taxes beyond their expiration date of April 1. Congress may not approve this recommendation, but meantime businessmen cannot count on this tax relief.

Fourth and last was the vigorous expansion of commercial mortgage, and consumer credit during 1953. If the down payment averaged 10%, the borrower's current purchasing power was, for these goods, multiplied 10 times. This source of momentum will be weakened or reversed in the markets of 1954 in varying amounts if new installment credit expansion is less than that of 1953. It will be entirely absent if payments on old commitments exceed new ones, and become a deterrent if net liquidation takes place. And if installment payments are not fully kept up, this latter development would impair the financial ability of the distributor and the manufacturers to carry on their business at the 1953 scale.

So you see what I mean by suggesting that, to some indeterminable extent, 1953 was perhaps made to look better than it really was by the addition of some holdover strength from the previous year and by advance drafts on the strength of a succeeding year or years. It might be suggested also that both employers and workers were getting the benefits of the concluding spurt of spending for preparedness (including parts of our Maginot Line) and the industrial building which military spending in part engendered.

I do not propose to take up all the factors, good and not so good, in our present economic situation. Let no one suppose I underestimate the underlying strengths in our economy or am blind to the great progress we have made since 1929 in means of preventing any real depression. But if we are to keep present recessionary forces within the narrowest possible limits, we must see that we do not assume there is strength at any particular point which in fact is weak. I shall turn, therefore, briefly to consider a point that is often put up as a "clincher" by those who are confident about 1954. This is the assertion that the consumer will play the decisive role of rescuer in the economic strategy of the year now opening, whatever may happen in other quarters.

Can the Consumer Save the Day?

Those analysts who find a source of great confidence for the future in the well-heeled consumer make three points: (1) that disposable income of private spenders has never been at so high a figure as in 1953; (2) that consumers have been saving at an unusually high rate and now have an unprecedented volume of accumulated assets; (3) that the mass of our people have raised their standards of living, that they like this more gracious way of life and propose to maintain it.

This raises a very nice question about the mechanics of prosperity. Which comes first—the hen or the egg? Do consumers initiate a pattern of spending which then causes producers to get busy filling this order list? Or does venture capitalism create a pattern of activity and employment that gives jobs and pay envelopes (and dividend checks) that enable consumers to take this large and attractive output off the market? Of course we know these are phony questions. Neither is "first," but both act and react upon one another. So don't take it for granted that this consumer argument is a one-way street to perpetual prosperity. Let us look to see just how these people reason who think that the strength of consumer demand is going to take care of the economic problems of maintaining top prosperity in 1954 and 1955. This is partly a question of accouning and partly a question of psychology.

Those who count on the private consumer to save the day say: "We recognize that there will be some decline in government spending and in business spending. But consumers can make up the difference. They have both the ability and the willingness to close the gap." This prompts a look to see how large a gap it is. Guesses as to declines in Federal expenditure mostly range from $5 to $10 billion. Surveys of businessmen's intentions to spend on maintenance and improvement suggest a drop of only about $1 billion from the very high figure of $28 billion in 1953. But the "intentions" reflect what they would like to spend if prosperity keeps up to present levels. This is obviously an expansion figure. If business actually declines only 10% in 1954, would business spending for plant and equipment drop by less than that percentage? By just about that same ratio? Or would many plans for expansion and improvement be postponed entirely? The less optimistic suggest that we might see business investment dropping not only $1 or $2 billion but $5 or even $8 billion. A tremendous number of building plans have been completed or are nearing completion. The pressures of 1946 and 1951 are far spent.

Well, I shall not try to guess a figure but merely to ask a question in logic. If government spending, business spending, and, we might add, export demand all added together subtract $15 billion from the market for goods and services next year, is it clear that Mr. and Mrs. Consumer can and will step in and add that

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Continental Illinois National Bank and Trust Company of Chicago

Statement of Condition

DECEMBER 31, 1953

RESOURCES

Cash and Due from Banks	$ 699,384,693.80
United States Government Obligations	1,116,306,511.59
Other Bonds and Securities	147,144,814.46
Loans and Discounts	793,434,004.24
Stock in Federal Reserve Bank	5,250,000.00
Customers' Liability on Acceptances	1,488,697.78
Income Accrued but Not Collected	8,152,916.24
Banking House	8,400,000.00
	$2,779,561,638.11

LIABILITIES

Deposits	$2,536,500,394.70
Acceptances	1,488,697.78
Reserve for Taxes, Interest, and Expenses	14,610,427.19
Reserve for Contingencies	18,108,730.42
Income Collected but Not Earned	924,150.87
Capital Stock (2,250,000 shares. Par value $33⅓)	75,000,000.00
Surplus	100,000,000.00
Undivided Profits	32,929,237.15
	$2,779,561,638.11

United States Government obligations carried at $257,713,044.44 are pledged to secure public and trust deposits and for other purposes as required or permitted by law

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confidently believe will be applicable to the whole industry.

At this moment, 20th Century-Fox has already released "The Robe," "How To Marry A Millionaire," "Beneath The Twelve Mile Reef," "King of the Khyber Rifles" in CinemaScope and with opening of "Hell and High Water" in New York on February 1, we are planning to release one picture every four weeks. Later on, if necessary, we will accelerate this rate of release.

As of January 11, "The Robe" had already brought in theatre grosses of $18,691,000 in the 470 engagements in the United States and Canada.

Even in its first neighborhood runs in 82 theatres in the New York metropolitan area, this picture brought in the astonishing total of $1,799,000 in 12 days.

In foreign countries this picture also was averaging grosses double those of the average of the previous best grossing pictures in 21 countries—England, Australia, New Zealand, Japan, Philippines, Singapore, Hongkong, France, Belgium, Switzerland, Germany, Sweden, Italy, Mexico, Panama, Colombia, Venezuela, Chile, Peru, Puerto Rico, Cuba.

Comparatively, "How To Marry A Millioaire" and our other CinemaScope pictures are outgrossing all other previous standard pictures in the few situations where they have thus far played.

MGM has released "Knights of the Round Table" and Warner Brothers has released "The Command" (Friday, January 15 at the Paramount) in CinemaScope and it appears that up to the end of the year in the United States there will be completed and in production about 50 CinemaScope pictures.

In view of the showing already made by CinemaScope it is our opinion, therefore, that 1954 will witness new all-time theatre grosses because of CinemaScope pictures and other outstanding productions coming out of Hollywood, in spite of television saturation in practically all important domestic market areas.

In its half-century of history, the motion picture industry has met with periodic difficulties and intense competition, but it has always emerged with an even greater hold upon public attention because of a higher quality of entertainment. Today we can record another step forward for motion pictures as the world's most popular form of relaxation, amusement and enlightenment.

With this progress, we can not only meet the public's taste in motion pictures, but our industry can continue on an even wider scale to be an instrument of service and responsibility to the public welfare and to the cause of freedom throughout the world and, as always, an auxiliary to the program of leadership and assistance which our country is offering to all the free nations.

HON. H. ALEXANDER SMITH

U. S. Senator from New Jersey

Under the sound fiscal and economic leadership of President Eisenhower and the national Administration, it is my expectation that the nation as a whole should experience a high level of prosperity throughout 1954.

H. Alexander Smith

As the President said in his State of the Union Message, "at this moment, we are in transition from a wartime to a peacetime economy." However, I share with the President belief that a government ready to take appropriate and vigorous action coupled with a business community willing to plan with boldness and confidence can, and will, effect this delicate transition while at the same time developing a climate assuring steady economic growth.

On the foreign front American freedom remains imperilled, and will continue to be so, for as long as the world Communist conspiracy exists with undiminished power. However, I anticipate that under the constructive and imaginative leadership of President Eisenhower and Secretary of State Dulles the United States will succeed in further strengthening the bonds of the Free World, and in allaying the remaining supicions of those nations (principally in South Asia) which, as yet, remain uncommitted.

I have recently returned from an extended trip to Asia in connection with my duties as Chairman of the Far East Subcommittee of the Senate Committee on Foreign Relations. I came away with the distinct impression that matters are on the mend there, although I do not wish to minimize the herculean tasks yet remaining to make secure the freedom of those countries immediately threatened by the Communist conspiracy, and restoring liberty to those peoples heretofore engulfed by the Red tide. However, I was deeply impressed with the growing interest of several peoples in developing their own abilities to defend their freedom, and equally impressed with the really substantial capabilities being developed. This is particularly true of the South Koreans, the Free Chinese and Formosans, and the indigenous peoples of the Associated States of Indo-China. Also, the recent election in the Philippines has insured that that Republic will remain an ever-growing bulwark of the Free World.

It is, thus, with a distinct feeling of hope that I face 1954. Much remains to be done before the world achieves that state of peaceful well-being to which we would like our children and our children's children to fall heir. Many of these accomplishments time—much time—alone can accomplish. But under the leadership of the United States there are in motion throughout the Free World events which will carry us a long step forward to our cherished goals of world freedom, world peace and world prosperity. We can ill afford to rest on our oars, but we are entitled to a feeling of genuine progress.

GEORGE L. SMITH

President, G. R. Kinney Co., Inc.

Food, Shelter and Clothing are the primary needs of every person.

The Shoe and Leather industry is concerned with "Clothing" and specifically "Footwear," one of the most important items of that important category.

George L. Smith

Breaking this great industry down further into its component parts, the popular price shoe chains serve the footwear requirements of the great mass of American citizenry, of all ages and both sexes.

Ours is not a "Cream" business whose success requires abnormal prosperity in the nation. It is tied to America's footwear fundamentals. Considering the small unemployment forecast for the immediate future, **plus** the amont of savings piled up by the American consumer (certainly for basic needs), **plus** the substantial requirements of our rapidly increasing population, **plus** chain store progressive merchandising "know-how," we feel confident that better sales will be produced both pair and dollar-wise than last year.

At this time we see nothing on the economic horizon that should retard the continuing rising growth of popular price shoe retailing.

HON. JOHN SPARKMAN

U. S. Senator from Alabama

Are we in a recession?

Many people say that we should not even talk about such a thing lest we talk ourselves into a depression.

In my opinion the surest way to "talk our way into a depression" is by ostrich-like optimism—unwillingness to face the facts and to act.

Sen. John Sparkman

This unwillingness to be realistic reminds us too much of the undue optimism in the "prosperity-is-just-around-the-corner" line. What is needed is a willingness to face the facts, to be realistic and then to act.

I am no "prophet of gloom." I believe, however, in keeping my eyes open to the danger signals that we see in the headlines almost daily.

Let us see what some of the facts are.

The rise of unemployment to over 1,800,000 persons in December 1953, more than 400,000 higher than in December a year ago, throws a long shadow into the year 1954. At best it gives us some forewarning that 1954 is likely to be a year of economic trial. While unemployment is still at relatively low levels, we can't ignore the recent sharp increases.

Agriculture has been weakening for several months. Viewing that area alone, we must admit that we are in a disturbing slump. In part this has been due to the declining foreign markets, to severe droughts in some parts of the country, and to substantial carry-overs in some of the major crops. The decline in agriculture has already had unfortunate effects upon the rest of the economy, especially automobile and farm machinery sales, railroad layoffs, and the like. Nothing on the immediate horizon promises to improve this situation. Rather, agricultural economists are becoming more pessimistic with respect to the next year because any decline in the general economy would have a very serious impact on the market for agricultural products. Something must be done to improve conditions for the farm family.

While data on inventories and our knowledge of what constitutes a sound level of inventories under competitive selling conditions are inadequate, some, notably the Australian economist Colin Clark, believe that today's levels of inventory are too high and that their adjustment could result in a chain reaction spinning the economy into deep depression. I would not go that far, but the inventory situation coupled with the scheduled drop in military expenditures and the announced intention of the Administration to reduce military personnel strength, make 1954 a year of uncertainty at best.

The important thing against which we must guard is that the weak spots do not snowball into depression. In order to keep them from doing so, we have a number of hopeful tools which were not available two decades ago. While these tools may turn out to be inadequate in stemming the tide if it is allowed to reach full sway, we can find much hope in the stabilizing effects of such programs as unemployment compensation and agricultural supports, to say nothing of insurance of bank deposits, stock market control, etc.

Those who see things today only through rose colored glasses point to the prediction of only a 5% decline in total production. A 5% drop in production does not in itself mean that we have "hit the skids" or that the bottom has fallen out of the economy. A 5% decline still leaves us at a very high level of production.

The question that concerns me, however, is: What does the 5% decline mean after 1954? I am afraid that the question spells real trouble for 1955 and thereafter.

Let us remember that about 600,000 young people come into the labor market every year looking for jobs. Every year there are about 2,000,000 more mouths to feed in America. To meet the needs of these increasing numbers we must have an expanding economy rather than a shrinking economy.

The Employment Act of 1946, if fully used, can do much to keep us aware of what is happening and what needs to be done. Unfortunately, the President's Economic Report which under the law is due "at the beginning of the session" will not be transmitted to Congress until Jan. 28. Furthermore, the Joint Economic Committee of the Congress was completely inactive during the last session of Congress. I hope that in this session of Congress it will do the job that the law sets for it.

I, for one, read the danger signs but take reassurance from the fact that there are in the long run sustaining economic forces in this country. The strength of these is often little appreciated. The need for housing, food, community facilities, highways and durable consumer goods to supply our growing population is more than sufficient if we act wisely to keep our economy going at high employment in the years beyond 1954. Furthermore, we live in a democracy and the people will not tolerate an Administration or Congress that fails to act, or acts unintelligently, in meeting the economic needs of the times.

JOHN W. SMITH

President, Seaboard Air Line Railroad Co.

There are some fairly clear indications that the country may expect to experience a period of economic adjustment in 1954, though it is not at all likely that there will be a depression or serious impairment of our present healthy condition generally. Business should continue at a satisfactory high level, even if not quite as it has been in the past few years.

John W. Smith

Should a mild business recession materialize, there are good reasons for believing that the Southeastern section of the country will come through without difficulty. For one thing, the economic condition of the Southeast today is basically very sound as a result of unusual growth and general business improvement which has been noticeable for a number of years, and which has attracted national interest. The population of the area has increased substantially, and at the same time the level of personal income has risen materially.

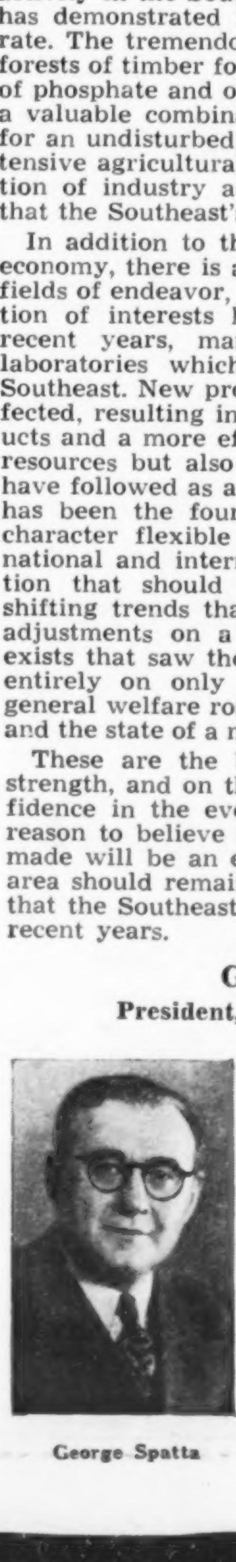
Equally important is the great bulwark of industrial activity in the Southeast which within the past 25 years has demonstrated its ability to grow at a phenomenal rate. The tremendous natural resources of the area—its forests of timber for industrial uses, its available deposits of phosphate and ores, and other usable materials—form a valuable combination with industry that augurs well for an undisturbed business future. When the area's extensive agricultural interests are added to this combination of industry and natural resources, it can be seen that the Southeast's position today is firm and sound.

In addition to these fundamentals in the area's basic economy, there is a continuing expansion in many other fields of endeavor, to the extent that a broad diversification of interests has developed. There have been, in recent years, many important findings in research laboratories which have been of great value to the Southeast. New processes of many kinds have been perfected, resulting in more varied uses of the area's products and a more efficient utilization not only of natural resources but also manufactured articles. New markets have followed as a matter of course. The ultimate result has been the founding of a diversified economy of a character flexible enough to adapt itself to changing national and international trends, with a close integration that should assure an even balance under the shifting trends that generally accompany economic readjustments on a national scale. The time no longer exists that saw the Southeastern economy based almost entirely on only a few major products, so that its general welfare rose or fell with the fortunes of weather and the state of a market.

These are the basic pillars of the Southeast's new strength, and on these the area could depend with confidence in the event of a mild recession. But there is reason to believe that any economic adjustment that is made will be an easy one. The business activity of the area should remain high, and there is strong confidence that the Southeast will continue to progress as it has in recent years.

GEORGE SPATTA

President, Clark Equipment Company



George Spatta

I believe business in 1954 will be generally satisfactory. So far as our company is concerned we are making capital expenditures for the construction of new plants and the purchasing of new equipment during 1945.

We expect our company to do as well or better than in 1953.

PHILIP SPORN

President, American Gas & Electric Service Corp.

In 1954 the electric power industry should have a chance to catch its breath after almost a decade of rapid climb in load, facilities, gross revenues and earnings. It will definitely be so on the American Gas and Electric Company System. In 1946, only seven years ago, the System peak was some 1,530,000 kw; System input somewhat below 8½ billion kwh; gross revenues not quite $104 million; and net to common $17 million. As this is being written final operating figures for 1953 are not completely available. But it appears that the established record will show: a peak of over 3,000,000 kw; System input of approximately 18½ billion kwh; gross revenues of $223 million; and net to common of $31 million. Striking as these figures are, six months ago it appeared that all these figures would be considerably exceeded. However, the truce in Korea, which brought about a very much needed readjustment in the defense effort, has had definite repercussions on production levels of several of our heavy industries, including steel, chemicals and coal, all of which are basic to the economy of the territory in which the American Gas and Electric Company System operates.

Philip Sporn

There has been, therefore, during the last three months in particular, a decline in the rate of growth of electric load. But what is significant here is not the decline that has occurred, but the relative smallness of the decline and the fact that despite these adverse trends, System input in 1953 will show a growth in excess of 10% above 1952 figures.

In the light of the dynamic rate of growth that was being experienced in the first half of 1953, and the easing in that rate of growth that has occurred during the last six months, it is now reasonable to expect that growth in electric system demand during 1954 on the American Gas and Electric Company System will be less than what has been experienced in the last seven years and perhaps less than the long time annual growth trend. There is thus being projected at the present time, on the basis of the best underlying data available, a rise in the 1954 System peak in the neighborhood of 6%, System input in excess of 19 billion kwh, a rise of about 4.5%, gross revenue of about $232 million, representing a corresponding rise. Net income should reflect the increase in System input and System sales. By 1955, the long-term rate of growth of close to 7% should reassert itself.

All this will permit catching up on a number of important phases of sound system development and operation. For example, 1954 will see the bringing in of additional new generating capacity so as to bring up the margin of reserves to proper levels for perhaps the first time in more than a decade. This will not only have beneficial effects on production costs, but will make possible the carrying out of expansion and construction operations on a more normal basis, so that extraordinary economic penalties will not have to be taken merely to assure adequacy of supply. It will permit, too, more thorough planning of facilities for the years ahead, the consolidation of improvements and efficiencies that have been brought about in the past half dozen years, and the utilization of the resulting levels as platforms from which to build ladders to new and higher levels of efficiency. In general it will make possible the tightening of all operating practices.

The development of additional reserves and lessening of pressures in connection with System expansion will make possible more intensive effort on area and load development. This involves not only enlarged plans to expand territorial development activities leading to the acquisition of additional industrial loads, but particular efforts designed to obtain our proper share of the residential market and to bring the goal of the all-electric home into actuality. Specifically, it is planned to embark on a stepped-up program of expanding electric use in the domestic field involving not only the utilization of the heat pump, but residential air conditioning and resistance heating. With these will go a continuation of the well established promotional program to expand the use of major electrical household appliances, particularly high energy use appliances, which has been characteristic of the System for many years.

In summary, while 1954 will see a lesser increase in growth of electric use than we have been accustomed to during the past decade, it will result in more firm foundations from which to advance to new levels of demand, output, earnings, service and benefits to the nation's economy; to the areas served; to consumers; to the people employed in the industry; and to investors.

F. W. SPECHT

President, Armour & Co.

All indications point to a continued bountiful supply of meats and poultry in 1954.

The big surprise of 1953 was the increase of about 30% in cattle slaughter over 1952. A substantial increase had been expected but no one predicted the extent of the increase at this time last year. This experience shows that all forecasts in the livestock and meat industry should be viewed with caution.

F. W. Specht

Nevertheless, the U. S. Department of Agriculture figures indicate that there are just about as many cattle in the country now as there were a year ago, between 93 and 94 million. Further, the number of cattle and calves marketed in 1953 was just about equal to the number of calves born. Under these circumstances, it is reasonable to suppose that beef and veal production will continue at substantially the same level as 1953.

Beef consumption per capita in 1952 was 61 pounds and the estimate for 1953 is 75 pounds, an all-time high. Figures on pork are almost exactly reversed, per capita consumption dropping from 72 pounds in 1952 to 63 pounds in 1953.

Pork production has been dropping for two years and pork will probably be in moderate supply for the next six months. After mid-year, however, we look for a somewhat higher level of pork production compared to the same months in 1953.

The poultry business should continue to grow. Volume of chicken and turkey production has now become approximately half as large as either beef or pork and consumer acceptance of poultry has been excellent.

Lamb production in 1953 was about 18% above the previous year and the outlook is for a slight decline in 1954.

Our population is growing every day and the demand for meat increases accordingly. However, consumers should be able to buy a very adequate supply of meat in 1954. Some meat grades and cuts always will be in short supply seasonally, and consequently higher in price, but there will also be bargains at the meat counter in the kinds and cuts which are in plentiful supply.

JULIAN K. SPRAGUE

President, Sprague Electric Co.

The year 1953 witnessed another new peak in production by the electronics industry, with total industry volume of nearly $5,000,000,000 representing an increase of about 20% over 1952, and substantially above the highest levels of World War II. The Outlook for 1954 is good, and although total output may not increase at the rapid rate of the past two or three years, challenging opportunities exist for electronics producers, both in the entertainment field and in defense production.

Julian K. Sprague

Throughout most of 1953 demand for radio and television sets on the part of the public ran well ahead of the preceding year, but some television business probably has been lost in the past several months as a result of the widespread but often incomplete publicity given to color television.

The effect of color on 1954 sales of sets remains an unknown factor, but buyers are gradually being made aware of the fact that color sets will be very scarce and high priced throughout the year and probably on into 1955. At the same time, new model black-and-white sets equipped to receive the increasing number of UHF stations coming on the air will offer the consumer the best value in television entertainment to date.

With an expected increase in the number of television stations from 350 currently to about 550 by the end of the year, and with only about 4,000,000 of the 27,000,000 sets now in use equipped for UHF reception, the potential market for all-channel black-and-white sets is still large. This fact has been somewhat obscured recently by the production cutbacks which have taken place because inventories at all levels of the industry increased by about 1,000,000 sets in 1953. Thus, TV set production this year will probably be geared to some reduction in stocks compared to a build-up last year.

In the military field electronic equipment continues to be of increasing importance relative to total defense expenditures as both weapons and counter-weapons become more complex and automatic in operation. The defense volume of the industry approached $3,000,000,-

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How Shall We Reason for 1954?

amount of spending money from their resources?

Here we need a little more accounting and some elementary psychology. As to the figures, we must look chiefly to industrial wages and farm income. Many of you sell in farm communities. Are farmers going to have more to spend than they have had in recent years? And do the prospects for city employment suggest that wage earners as a group wil have larger and steadier pay envelopes? Market demand is not mere longing. A top executive of one of our largest advertising companies points out that very large numbers of our people still do not have bath tubs or telephones or TV sets—all the business world has to do is to cultivate this virgin market. He does not explain how those who could not afford these niceties of life in the boom years of 1952 and 1953 will be able to afford them in 1954—with even a little unemployment and a mild form of slump.

At this point cheerful references are made to the enormous savings that have been made by the public in the last few years. Here the accountant must do some work on the very tricky savings figures to show us which are real and which are phoney, which savings are liquid and which are fixed. A great deal of this saving has been in the form of current payments on homes under amortized mortgages and on television sets and automobiles under installment purchase plans. These savings cannot be tapped by the salesman eager to reverse any recessionary tendencies of 1954 by enlarging the total volume of consumer purchases.

But, as I said, this issue of the consumer market involves psychological attitudes as well as actual purchasing power. I fully agree on the importance of salesmanship this year if we are going to keep sales and orders and hence employment up to as good a level as possible. And to the consumer collectively I would say: Be as good a spender as you can prudently be in 1954. Don't button up your pockets and wait for depression bargains. That would be one fine way to assure a depression. But at the same time we need to ask whether in fact the consumer is going to be a "soft touch" for making up a drop of $10, $15, or $20 billion of business and government spending.

The psychology of the buyer is influenced by three things: the money in his pocket, the hunger in his belly, and the fear or hope in his heart. Now I am not going to try to put a weigh ticket on

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REPORT OF CONDITION OF

FIRST NATIONAL BANK

OF SALT LAKE CITY

SALT LAKE CITY, UTAH

As of December 31, 1953

RESOURCES

Cash and Due from Banks		$29,542,927.20
U. S. Securities (par value or less) (*Average Maturity 4½ Months)		61,519,250.89
Municipal Tax Anticipation Obligations		3,169,000.00
Total Liquid Assets		$94,231,178.09
Loans and Discounts		14,308,975.11
Stocks		72,600.00
Banking House		1.00
Furniture and Fixtures		1.00
Other Assets		2,252.20
Total		$108,615,007.40

LIABILITIES

Demand Deposits	$97,591,347.85	
Time Deposits	6,774,860.13	
Total Deposits		$104,366,207.98
Capital Stock, Common	$750,000.00	
Surplus	1,250,000.00	
Undivided Profits and Reserves	2,248,799.42	
Total Capital Investment		4,248,799.42
Total		$108,615,007.40

MEMBER FEDERAL DEPOSIT INSURANCE CORPORATION

DAVID O. MCKAY, *President* ORVAL W. ADAMS, *Executive Vice President*

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000 in 1953, and all signs point to a further rise this year in spite of any reductions which may take place in total defense spending. In fact, military electronics volume appears destined to remain at high levels for the foreseeable future barring a drastic change in present concepts of military preparedness. Other important opportunities for growth are in industrial controls, computers, and automation of manufacturing processes on which only a start has been made so far. Another growing market is that for replacement parts for all of the electronic equipment, whether commercial or military, which is already in operation.

Whether more or fewer television and radio sets are made in 1954, the year should be one of satisfactory sales and profits for the electronics industry, and should see an ever widening scope of applications for its products. The makers of electronic components, of which the Sprague Electric Company is one of the largest, serve the producers of end equipment of virtually all types, and are in a favorable position to participate fully in the anticipated growth of the electronics industry.

LOUIS STEIN

President, Food Fair Stores, Inc.

Retail food store sales in 1953 established another all-time record high. The biggest industry on earth rolled up sales totaling approximately $42 billion, a gain of about 5% over the $40 billion mark of 1952. Because food prices during 1953 averaged slightly lower than those of 1952, the gain in tonnage was about 6% over sales of 1952.

Louis Stein

There is every indication that in the coming year the 1953 sales record will be equaled and possibly surpassed. For 1954, as a whole, retail food prices are expected to average close to last year's level, with a tendency to shade downward slightly. However, this slight price decline will almost certainly be offset by a gain in physical volume.

Behind the gain in physical volume of food sales which may be expected in 1954 is the continued phenomenal growth in the population. Last summer, the nation passed the 160 million mark, a figure which many experts, 15 years ago, thought would never be reached. The birth rate has continued to soar and longevity is increasing. The American family is growing ever larger, with the number of families having three, four and more children rising at an unprecedented rate. By the close of 1954, these factors should help to assure a population in the United States of about 164 million.

A good many economists feel that the decline in business generally predicted for 1954 will not be severe or prolonged. Most recent estimates indicate that activity in key industries, while slightly below 1953's levels, will be high. Our population can look forward in 1954, therefore, to a continuation of record high levels of income and savings. The effect of such high levels of consumer income upon the retail food industry is certain to be beneficial. Since the war, consumers have been spending for food an average of 27% of their after tax income, or 4% more than was spent in prewar years, when levels of income were much lower.

The interest which Americans have evidenced in the pleasures of eating has proven a remarkable postwar phenomenon. From past experience, it has generally been assumed that as incomes rose, the percentage of income spent for food declined. Just the opposite has happened in the past 15 years. People today, though they eat no more per capita than in 1939, consume foods of much higher quality. If Americans today consumed the same types of food they did in 1939, their annual food basket at today's prices would amount to only 18% of their after-tax income.

There is no doubt that one reason for this significant change in American eating habits has been the spectacular change in the food store itself. The modern self-service supermarket, which stocks thousands of items, has brought an infinite variety of foods literally to the fingertips of the convenience minded customer. The appeal of this method of retailing food is reflected in the continued growth of the self-service principle. In 1949, 64% of grocery sales were made in self-service stores, both chain and independent. In 1953, this percentage had risen to 70%. In 1954, that percentage should increase further.

The confidence with which the management of Food Fair Stores, Inc., views the future is evidenced in its continuing expansion program. In the fiscal year ending April 1954, Food Fair will have opened 21 stores. During December, 1953, the company also acquired a chain of 19 large supermarkets in Florida, to add to the 26 units already being operated there. At the close of this fiscal year, Food Fair should show a total sales volume in excess of $350,000,000 and will have 200 markets in operation, in its chain extending from New York to Florida. This compares with the $292,700,000 total volume for the fiscal year ended April 1953, rung up in 162 markets. Plans projected through April 1955 call for the addition of 25 markets, bringing the total to 225, with a volume for the year in excess of $410,000,000. At that time, the company's annual rate of sales should top $430,000,000. To service the expanded chain, both warehouse and trucking facilities are being enlarged also.

LUCIAN C. SPRAGUE

President, The Minneapolis & St. Louis Railway

Good crops and accelerated industrial progress in 1953 highlighted the economic picture of the rich Midwest territory served by the Minneapolis & St. Louis Railway. In our four states, Minnesota, South Dakota, Iowa and Illinois, crop failures are so rare as to be almost unknown.

Lucian C. Sprague

The 1953 harvests of Midwest farms, although not of record proportions, were large, despite damage from prolonged drouth. Each year, the Midwest's development as a region of vast diversified industry becomes more impressive. The number of new factories and distributing plants increases steadily and many long-established industries expanded their facilities and outputs in 1953.

Prospects for 1954 are generally favorable in the M. & St. L. territory. Last autumn, the drouth was broken by soaking rains and additional soil moisture has been created by melting snow. Normal weather during the coming spring and summer should insure satisfactory soil and growing conditions in fields and pastures, bountiful harvests of grains and grasses and abundant feed for livestock and poultry.

Because of the stability of Midwest economy and the wide diversity of its steadily growing industry, the up and down swings in business volume and employment are less violent than in most other areas. The estimated volume in 1953 was only slightly less than in 1952, as indicated by figures for railway freight traffic.

And my opinion is that 1954 will show only a minor decline from 1953. I am inclined to feel that Secretary of the Treasury Humphrey was right when he said that the economy of America must not depend entirely upon defense production, since the diversification of industry and rapid increase of population should provide regular demand for all kinds of products. Possibly there will be some demand for grain to be exported, which will reduce the backlog of crops accumulated in Midwest elevators.

The Minneapolis & St. Louis Railway has had only a small reduction in freight tonnage and revenues in 1953 and anticipates that any possible decline in 1954 will also be slight. Business on our railroad accurately reflects agricultural and business conditions in its four states, which as stated above are subject to less drastic fluctuations than many regions.

Physically, the M. & St. L. is in excellent shape to handle all the business that its territory originates and that aggressive solicitation of bridge line traffic can obtain at its offices throughout the country. In addition, the industrial development program, which in 15 years has located several hundred new industries on M. & St. L. lines, is going ahead steadily and successfully.

M. & St. L. rolling stock and other equipment is now ample, at least for present needs. It is completely modern. All locomotives are Diesel-electrics, and operating costs now fully reflect their greater efficiency and economy. Practically all freight cars are new since 1942. Tracks and all other properties have been improved steadily on first and secondary main lines and branches. Yards, shops and terminals have been extensively modernized. New structures include bridges, depots and Diesel service and repair shops.

From all points of view, we hope it is safe to predict another year of satisfactory business, efficiently handled, for the M. & St. L. in 1954.

E. E. STEWART

President, National Dairy Products Corp.

Great opportunities lie before us in the food industry. Population rises have given us more than 160,000,000 potential customers. Family units are increasing rapidly. People are living longer. And there have been increases over recent years in consumer income and spending.

E. E. Stewart

The nation's food standards are at a new high. Industrial advances and the mechanization of agriculture have enabled the industry to meet the new and increasing demands of consumers. Today, these consumers are purchasing food at the rate of approximately $67 billion a year, of which about 20% is for dairy foods.

We deal with an essential product which has no satisfactory substitute. Yet in the face of a steadily widening market, we cannot become complacent. For we are entering a buyers' market where the customer will choose with greater care and where the competition for his favor will be keener.

New conveniences, new taste appeals and new varieties of products must continually be looked for. But the key to success in the coming period will be hard selling. Every element in the selling process must be brought to peak efficiency. Salesmen must be alert and aggressive; packaging attractive and convenient; advertising and publicity imaginative and compelling. Service to the consumer must be the end objective in all cases.

Total supply of dairy products is expected to reach a record high. Milk output was 118 billion pounds in 1953 and may exceed that in 1954. With many stabilizing forces at work, we may expect the industry to continue to do its part in helping the nation to eat well.

JAMES STEWART

President, The Canadian Bank of Commerce, Toronto

The underlying strengths in the Canadian economy at the present time should provide momentum to carry forward into 1954 at high levels of activity. While it is unlikely that the *rate* of growth which we have seen in recent months will continue, I think that we can expect for the near future at least that the trend will not be downward.

James Stewart

Capital investment, which has played a large part in creating the rapid rate of growth in Canada, will probably reach high levels again this year, although, in view of the completion of many large engineering projects and the levelling off in industrial expansion, it will not likely reach the peak achieved in 1953 when it absorbed about 23% of the gross national production.

The high level of income and the growth in population have been reflected in the volume of retail sales. Little overall change is seen for the coming year. Credit expansion, noticeable in 1953, is flattening out and although the level is relatively high it remains a fairly constant proportion of disposable income; a contraction in disposable income could, of course, mean that these fixed payments could only be continued by a contraction in the aggregate of current purchases.

In view of the anticipated volume of domestic consumption, industry is likely to maintain a relatively high rate of production. Some slackening in demand for durable goods, from the pace established after the removal of credit restrictions early in 1952, has been evident. Further adjustments are forecast for the next few months in adjusting cost structures and sales policy to the growing competitive conditions in the economy.

Dependent as we are on foreign trade for the maintenance of domestic employment, we cannot look into the future without attempting to appraise the forces which affect our sales abroad. Like domestic trade, external trade is difficult to forecast because of often abrupt changes in consumer psychology. Today, however, not only consumer demand but also monetary and other restrictions on trade affect the general level of our trade. The dollar area today is faced with continually stiffening competition from the expanding industrial production in other areas. This fact, together with the desire to conserve gold reserves on the part of non-dollar areas, do not promise much improvement in sales of Canadian goods abroad. Adjustments to make our goods competitive with those produced in countries with a lower-cost structure are to be expected in the coming months.

In short, adjustments to meet more competitive conditions both at home and abroad will be more evident in 1954 than during the past year. This is likely to be reflected in unevenness both industrially and regionally. Nevertheless, for the foreseeable future the overall aggregates should rmain high.

HENDERSON SUPPLEE

President, The Atlantic Refining Co.

Total demand for oil products in the United States in 1953 was about 5% higher than in 1952, and to meet this demand operations of all branches of the petroleum industry were at record high rates. We now believe that the rate of increase in demand in 1954 will be somewhat lower than it has been in the recent past, but that it is still likely to approximate 4%. This forecast is based on the expectation that the general level of economic activity in 1954 will be below 1953, but above that of any other year. We think that the year as a whole will be one of needed adjustments, which will require aggressive competitive efforts on the part of business, but we believe that most industries, including our own, will be strengthened in the process.

H. Supplee, Jr.

Capacities as well as operations were increased to record levels by the oil industry last year. For example, it is estimated that United States crude producing capacity was increased by about 357,000 barrels per day; refinery capacity by about 360,000 barrels per day; 850,000 deadweight tonnage was added to the privately owned tanker fleet: 10,000 miles of crude and products pipeline were completed; and substantial additions were made to marketing facilities. This expansion was accomplished at the cost of about $4 billion in capital expenditures, an increase of 10% over 1952.

We do not foresee much of a decline in the industry's rate of capital expenditures in 1954. The major part of these expenditures will again be in the crude producing division: extensive and continuous effort is still needed to bring domestic reserves up to the level considered necessary for national defense. Consequently exploratory and drilling activity will be as high as, and possibly higher than last year. Refinery capacity will increase again by about the same amount as in 1953, and the marketing division will receive a larger share of the capital expenditure dollar as competitive selling pressures increase.

In an overall way, we believe that 1954 will be a good year for the oil industry. Employment in the industry is expected to continue to be stable, output will

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How Shall We Reason for 1954?

each of these factors in the business situation. You are merchants in a particular field. Your success calls for knowing the answers to these questions:

(1) How are current and prospective incomes for farmers and mechanics, factory and white collar workers running as compared with a year ago, and as they will run at the end of this year?

(2) Translating "hunger" into need or desire for goods in your field, what part of the full demand for hand tools and shop tools; for household gadgets, mechanics' supplies, and farm hardware; for paint and what-not has already been supplied? How much is postponable?

(3) Are consumers going to dip into their liquid savings next year to maintain and even raise their standard of living? Or are they going to husband their past savings and be even more thrifty than last year with their current earnings because of some uncertainty as to how far the "dip" may go?

When Do We Start Up?

The way you answer this question will determine how you feel about whether recession will be both mild and of short duration. We are an impatient people, accustomed to good times, and so it is not strange that so much attention centers on calling the time of the "recovery" even before there is general agreement about whether or not we have a recession. It makes pleasant reading to find such statements as this: "There will not be either inflation or deflation in 1954. . . . Six important factors will help to prevent the current decline from extending to the end of the year and will, instead, reverse the trend later in the year." The history of business fluctuations, however, suggests that quick recoveries of this sort occur only when the nature of the difficulty was a money panic or an inventory crisis. The present situation certainly is not a money panic, nor could we have one under present financial institutions. Nor is it an inventory crisis. It is often pointed out that inventories have been the object of skilled attention and almost continuous adjustment to current conditions.

Thus it would seem to me sounder reasoning to fix attention on the longer-run "adjustment" between productive capacities and price-income relations that have, during the past 15 years, been made under conditions of war and preparedness and that now have to be stabilized on a more permanent basis to whatever conditions emerge from the death of Stalin, the truce in Korea, the four-power conference in Berlin next month, and other developments as yet unfathomable. I find it hard to believe that such massive and complicated adjustments can be accomplished within the span of a few short months. Still less can I credit the claim that they have already been more than half completed. I would question whether they have yet actually been faced in realistic terms.

Hence I suggest that our major concern in 1954 should be to keep recessionary tendencies, already emerged, from snowballing into unmanageable recession. Working out a practical non-boom way of life seems to me the first step in this direction. If we can get our feet set steadily in that path by the second half of 1955 or the first half of 1956, I think we shall be doing very well. That would be accomplishing the "wonder of the world" that the President referred to recently, that is, carrying an inflationary military boom over into sustained peacetime prosperity without an intervening depression.

This brings me to the very heart of the message I would offer you today—in which economic analysis is tied up to the newspaper headlines. This is my interpretation of President Eisenhower's State of the Union Message and the other messages that outline his program. He congratulates the country that in the past year the "damaging effects of inflation have been brought under control" and assures the country that in the coming year we shall be safeguarded against even more damaging effects of deflation. In other words, President Eisenhower, the broad-visioned middle-of-the roader would lead his country in what my favorite economist once called "the gentle art of disinflation." This intention has already been shown in the fiscal policies of the Treasury and the monetary policies of the Federal Reserve Board. It is further spelled out in a positive but moderate farm policy in the President's first special message and the moderate labor policy enunciated in his second special message.

Now the question is: Can we take it? We have had 12 years of "pie in the sky." We have come to love inflation as a way of life. Voices are already raised for big new doses of inflation to deal with the first faint signs of deflation. There is a voice of agrarianism that demands that the farmer shall take no part in the shakedown of disinflation. There is a voice of laborism that says labor must continue the same dollar gains every year regardless of productivity indexes. There is a voice of acquisitive capitalism that puts profit margins above maintained volume of employment. All these the President and his team will have to meet and reconcile if his program of disinflated prosperity is to be realized. He must win these interest groups over to his side rather than seeing their partisan struggle undermine the common welfare. On this point I could wish the President had brought into his message to the nation more of the perspective shown in his Guildhall speech and his remarks to the joint session of our Congress on his return to the United States. I could wish he had borrowed a note from the inspiring leadership of Winston Churchill's "blood, tears, and sweat" speech in Britain's darkest hour.

Two Missing Notes

Mingled with my admiration for many things the President said, I feel there was a priceless opportunity missed in two things he did not say. One would have been, "You can't expect to have it so good all the time." The other would have been, "What private business itself does will outweigh what government can do to help."

It is my belief as an economist that the new Administration has been consistently overbidding its hand in its repeated assurances that a real recession will not happen **because the government will not let it.** This procedure has a certain advantage in reassuring the business public and guarding against premature or exaggerated fear that would cause a widespread stampede to the storm cellar. But on the other hand, it encourages everyone to run to Washington with demands for special aid for troubles that they should themselves reduce in size by wise action—and bear the irreducible remainder with fortitude.

This is my last point. I do not believe in the inevitability of cycles in which busts must be as deep as booms are high. On the contrary, I believe that we are arriving at a stage of general economic literacy in which periods of business readjustment could be proportionate only to the excesses or distortions of the boom period and would not check the march of economic growth and progress. But this will be accomplished only if the period of readjustment is used to correct capacities and capitalizations, to balance credit structures and earning powers, and to bring prices into line with wages and other sources of income at full volume of output.

I could have wished that the President in this opening message had challenged all the parties to private trade to make these adjustments resolutely and peacefully through collective bargaining and through executive policies of job-giving, capital-investing, and price-making that put the public interest above immediate individual profit or prestige. This demands mutual forbearance and a realization that the maintenance of productive activity is more important than the upholding of any theory of what any particular person or group "ought" to get. I am unwilling to believe that the American public would not respond to such leadership as the British did to Churchill's plea.

The danger we face is more subtle than the fear of physical extermination which confronted our English cousins. But the alternatives are grim enough—either an "orthodox depression" that would cripple our power to uphold the free world against Communist imperialism or such drastic measures of government intervention as would greatly impair if not destroy the very freedom we seek to maintain. And the price to be paid would not be the literal blood, tears, and sweat that Churchill talked about. It would merely be a reasonable measure of the blood of human brotherhood, some water squeezed out of the inflated dollar, and quite a lot of mental perspiration.

Thinking about Canadian business?

Taxes?

Tariffs?

Distribution?

Banking?

Whom shall I see first?

How can I get a good agent?

What about building a plant?

Let us answer your questions about Canada. This Bank has been working for Canada's friends all over the world for nearly 100 years, and we can help you, too, if you are considering doing business in Canada in any way whatsoever.

THE BANK OF TORONTO

Head Office, Toronto, Canada

BRANCHES ACROSS CANADA — CORRESPONDENTS ALL OVER THE WORLD

Continued from page 98

be moderately higher, the quality of products will continue to be improved, and operating results should be reasonably satisfactory.

HON. JOHN TABER

U. S. Congressman from New York

Chairman, House Committee on Appropriations

In my opinion the Governmental situation is going to be handled in such a way that we will very closely approach to or accomplish a balanced budget in fiscal year 1955.

Hon. John Taber

Of course, there will be involved certain reductions in Federal spending and some of the ammunition plants that are now operating in two or three shifts will be down to one, but I think that the drop in Federal spending will only result in a reduction of three or four billion dollars in outside purchases and that would hardly be more than 1% of the national income and spending capacity. The appropriations for the fiscal year 1955 which begins July first next will probably be on the order of 60 to 63 billion dollars and the Federal spending should be not far from 64 billion dollars.

I look to see the economy of the country go along on very close to the rate that has existed in 1953 and I look to see the private purchases and consumption take the place of a very considerable part of the drop in government purchases.

G. L. TODD

President, The Todd Co.

It is obvious, even though final figures are not available at this writing, that 1953 sales of The Todd Company, leading maufacturer of safety checks and check protecting equipment, will set an all-time record. The previous record sales figure of $19,063,891, set in 1951, is due to be topped by at least half a million dollars.

George L. Todd

We fully expect our sales to hold at record levels throughout the coming year. We are just getting started on our expansion and modernization program, which already has substantially increased our plant capacity during this past year and will enable us to offer constantly improving service to customers.

We realize that we've been passing through a period of abnormal "catching-up" on deferred demand caused by war-time cutbacks in civilian output. This happy time is about over for us in the check business, as it is for most other businesses. We are fully aware of the fact that we are going into a new period which will necessitate the development of new, larger markets than those offered by pure replacement demand. New products of superior quality are part of the answer. The rest of the solution lies in manufacturing efficiency, carefully-planned merchandising programs, and top-quality service.

We feel no concern over the passing of the postwar sellers' market. We expect to realize gross sales of over $20 million in 1954 for the first time in our history.

Sales of the company for the first 12 periods of its 13-period business year totaled $18,079,000 during 1953. During the corresponding first 12 periods of 1952, sales totaled $16,836,000.

More significant, perhaps, of the Todd Company's corporate health is the fact that gross sales have nearly doubled since 1946, the first full year after the war—increasing, in that time, from about $11 million to nearly $20 million. Sales volume has increased about 40% since 1950.

Two major factors have contributed to this substantial increase in company sales: a growing awareness in the business world of the value of an attractively-designed check as an advertising and publicity tool; and an increasing recognition of the need to protect checks positively against fraud. Both of these trends are still relatively in their infancy, in my opinion, and will help provide an expanding market for the company's products in 1954 and future years.

New products of advanced design will further widen the market for The Todd Company in 1954. One such important innovation is the recently-announced Todd Check Disburser, which is the world's first portable machine capable of writing, signing and dating a check in a single operation. Other dramatic new products are now on the drawing boards.

Plant capacity has been paced to rising sales at Todd. Production bottlenecks have been broken with the installation of about $90,000 worth of new high-speed offset and letterpress equipment in the Printing Division, along with new high-speed collating, perforating and binding machines. Remaining backlogs of orders will be further reduced in 1954 as the addition of more high-speed modern machinery is completed. Printing capacity has already been increased up to 50% in Todd's main plant in Rochester. A similar comprehensive program to increase manufacturing efficiency has been carried out among the firm's branch plants.

Completion of the company's modern new research and development laboratories in December has also insured a firm grip on future sales potential for Todd.

Since the company's success is almost wholly dependent on staying at least one long jump ahead of the cleverest check fraud experts, research is a particularly important arm of the firm's operations.

From a purely financial standpoint, The Todd Company entered 1954 in the soundest condition in its entire 55-year history. The liquidation of $365,000 in bank loans left the company with no funded indebtedness of any kind.

GLENN W. THOMPSON

President, Arvin Industries, Inc.

Manufacturers will have to go after business in 1954. That means new, hard-hitting, well conceived selling plans. It also means rendering the last bit of fat out of operations. Every item of expense will be studied by the firm which wants to maintain or increase profits in 1954. Only items which can be doubly justified after the most careful scrutiny will be found in the 1954 records of the company which ends the year in a favorable position.

Glenn W. Thompson

New and improved products will have a decided influence on volume during the next 12 months. The public, with plenty of money in its pocket, will have to be tempted if it lets loose of its dollars. Appeals will have to be directed towards the consumer — what he wants, how the product actually will help him.

It is almost impossible to be pessimistic when one considers the potentials of our growing America. The increasing population, the large backlog of new construction, the reduced taxload which adds appreciably to the money available for buying goods and services, the great technological progress of the past decade—all add up to a splendid year for those who will make it so.

Arvin's products fall within four different industry classifications—radio and television, automotive, electrical appliances and metal furniture. Television, although an infant in point of years, because of "big ticket" items already is developing giant-size volume. A TV receiver is becoming a "must" in the average home. Many new stations will begin operations in 1954 and, of course, color sets will be produced in limited volume. Demand for radios continues strong from year to year despite record-breaking TV sales.

The automobile industry, which led the nation out of the great depression of the '30s, continues as a most significant factor in the country's economy. The production and marketing know-how possessed by the motor car makers plus the forward planning they did during the last six months of 1953 all but assures for a certainty a splendid year for that industry.

The formation of more and more family units, as America's population continues to move upward, means an increased demand for metal furniture and electrical appliances. As more and more wives take positions in business and industry the need for efficient and easy-to-care-for equipment becomes imperative. The result is that items once regarded as luxuries now have become necessities in the American home.

Yes, 1954 will be a good year for those who work energetically and intelligently.

J. K. THOMPSON

President, Union Bank of Commerce, Cleveland, O.

1953 was a good year for business. Practically all the production and progress indices have been higher than in any other year. Since about the middle of the current year the pace of economic activity has slackened somewhat and in some lines the reduction will continue well into 1954.

J. K. Thompson

I think that 1954 will also be a good year for business, but not as good as 1953. I expect a reduction in manufacture of durable goods of approximately 10% in 1954 compared with 1953, and in non-durable goods a reduction of only about 3%. I think that personal income, however, will be within 5% of the 1953 personal income, and that disposable income after taxes and personal savings will not show a reduction of more than 5% as compared with 1953.

Newspaper headlines from time to time announce that the cost of living has reached another all-time high. Upon reading the fine print, it develops that the increase is very slight, but the general impression often comes from the headline. Using the new consumer price index with the 1947-49 price as 100, the index in September, 1953, was 115.2. This compared with the index in the previous September of 114.1, which is an increase of less than 1% for the year. I think there will be very little change in the consumer price index in 1954.

During the early part of 1953 there was a continuance of the inflationary spiral. Bank loans reached an all-time high. The money supply became exceedingly tight during the first half of the year. There has not been an increase in loan demand in the latter half of 1953 such as that experienced in the latter half of 1952. The general inflationary tendencies and the other factors which caused the tight money situation to develop early in the year moderated about the middle of the year. The Federal Reserve System considered it advisable to make additional reserves available at that time and money became somewhat easier.

Some progress was made during the year in lengthening the maturities of the government debt and probably more would have been made if it had not been for the restrictive debt limit. Such limit should be raised as soon as possible to permit of proper debt management.

During the past year we have had a relatively stable dollar, and I think we will continue to have in 1954. I see no indication of any sharp increase in commodity prices or any reason to anticipate any sharp decline. I think with our ever-increasing population, the present situation regarding the distribution of our wealth, and the fact that our economy is basically sound, that 1954 will be a good year. Our banks have never been more sound nor in a better position to be helpful to industry in its efforts to do a fine production and sales job in 1954.

MILTON TOOTLE

President, The Tootle-Lacy National Bank, Saint Joseph, Mo.

This bank serves an area including the Northern part of Kansas, Southern Nebraska, Northwest Missouri, and Southwest Iowa. In this area we have 187 bank correspondent accounts, with whom we work closely.

Milton Tootle

Agriculture is our main industry and six months ago we were confronted with a serious drouth condition. Because of the drouth and the sharp break in livestock prices, the outlook was serious. However, we are pleased that in the final analysis we have come through this trying period in a much better condition than was expected. While heavy losses were sustained in livestock operations, our people had reserves such as cash or unencumbered real estate that has brought them through. There has been a sharp liquidation in loans and our banks are in a liquid condition. Of course, the drouth situation is still serious in most parts of our trade territory although Kansas, generally speaking, has had sufficient moisture to properly start their winter wheat.

In our projection for 1954, moisture is still the key to the situation. If ample moisture is received over our trade territory, we will expect the following results: Roughly, the first six months of 1954 should be slow in all lines of business due to the fact that we feel our people will be hesitant in making purchases until crops are assured. We also believe that the livestock markets will level off at about present prices placing future operations in this industry on a better basis. Then, if we get the needed moisture, we expect an upturn in business conditions the last six months of 1954.

G. W. VAN DERZEE

President, Wisconsin Electric Power Co.

In 1954, the electric, industry celebrates "Light's Diamond Jubilee" which will dramatize the most significant 75-year period in the progress of modern civilization . . . a period in which the most important of all contributions todard the comfort and well-being of the American family may well be the contribution made by the electrical industry.

Gould W. Van Derzee

Few indeed are the activities of modern life in which electricity has no part. No prophet of old predicted what electricity achieves today — and no modern prophet can accurately predict what new and unknown services electricity will provide tomorrow.

However, the trend toward all-electric living is so strong that there is no reason to believe that 1954 or any of the years immediately ahead will witness a serious interruption in the kind of progress which has characterized the activities of the electrical industry since its beginning.

In 1953, the electric companies of America sold more than twice as many kilowatt hours of electricity as they did in 1946, the first year after the end of World War II. The kilowatt hour increase in sales was greater than in any previous year.

It is always possible that a natural slowdown in the terrific postwar pace of industry may have a consequent effect on the rate at which demands for electricity increase. It may happen in 1954. Even if it does, such a situation should not be of serious proportions. It would provide an excellent opportunity for the industry to consolidate its gains and prepare for future periods of expansion.

There is still plenty of opportunity for record-breaking achievement in the electrical industry. Each year more ways are discovered in which electricity can be used to shift the burdens of man to sturdy mechanical shoulders. In the home, many sales opportunities are

still present—especially in the field of heavy appliances such as ranges, water heaters, freezers, clothes dryers, room coolers and devices for house heating. The application of electricity to new industrial techniques has an apparently limitless horizon. Lighting and air-conditioning for stores, offices and business institutions provide a fertile sales field. The demands of farm customers for the kind of electrical farming equipment which makes farming easier, better, and more profitable —are only beginning. There are plenty of opportunities for increased sales in 1954!

One bright omen for the years ahead is the indication that the political climate in which the electric utility industry and all busness operates is changing for the better. More than anything else, all business needs a constructive and encouraging attitude on the part of government. An end to oppressive taxation will help the electric industry in its continuing and successful efforts to keep the price of electricity low in comparison with other items of the household budget.

Despite the voices of its critics, the business-managed electric utility industry continues to market a service that the average homemaker recognizes as today's best bargain. This is evident in the mounting demands for more service from every type of customer. Such an evidence of faith in our business practices can be construed as a vote of confidence from the people of America—and be used as a basis for optimism in 1954 and the years ahead.

W. G. VOLLMER

President, The Texas & Pacific Railway Co.

It is the thinking of many well-informed business and industrial leaders that business in 1954 will just about equal that of 1952. If that materializes, and present indications are that it should, we shall continue to enjoy a high volume of trade activity, for business in 1952 established a new peacetime record.

W. G. Vollmer

The predicted downward adjustment in business should not needlessly alarm us. It can prove to be a stabilizing influence essential to the sound development of our economy. We cannot continue year after year to establish higher and higher records without occasionally experiencing periods of leveling off—or periods of consolidating our gains.

Present forecasts indicate government spending for military purposes should run close to $40 billion, while capital expenditures by business and industry for plant and equipment should exceed $25 billion. Other economic factors essential to business and industrial activity, such as employment, purchasing power, housing, personal savings and an expanding population, all stand at high and substantial levels, thus serving as a bulwark for 1954.

For the past six years the railroads have spent for plant and equipment more than $1 billion annually. In all probability, they will spend another billion in 1954 for new equipment and for improvements to roadway and structures, new yards, stronger track, new signal and traffic control system, new shop facilities, and the like.

In the Southwest, business and industry has expanded steadily and substantially for a great many years. Population growth, likewise, has shown a heavy increase, thus expanding the importance of the Southwestern market. This favorable economic situation should continue for many years to come, although the industrial expansion in 1954 may not be as great as it has been in previous years.

If we experience a downward readjustment in business and trade activity in 1954, it is reasonable to assume that both gross and net revenues of the railroads will be adversely affected. It is quite likely, therefore, that gross revenues will be below 1953 by as much as five or ten per cent. With some railroads, the decline may be more; with others, it may be less.

Every indication points to the fact that 1954 is going to be a real buyers' market, the first in several years. We are going to see a return to some good old-fashioned competition. But that need not alarm us. Our free competitive system is the foundation of our high

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Public Utility Securities

By OWEN ELY

Commonwealth Edison Company

Commonwealth Edison formerly ranked as the second largest electric-gas company as measured by annual revenues, but Pacific Gas & Electric with the help of a $33 million rate increase spurted ahead. Now Commonwealth, with a $20 million rate increase recently approved, might again give Pacific Gas a run for second place.

Commonwealth, as its record in the accompanying table shows, has enjoyed steady though not phenomenal growth and stable earnings, with a dividend record since 1890. Residential and rural sales contribute about 32% of electric revenues, commercial 30%, industrial 27% and miscellaneous 11%. Presumably due to fuel costs, residential electric rates in 1952 were slightly above the national average and kwh. residential usage slightly below average. Domestic service provides about two-thirds of gas revenues, with space-heating important.

Electric power plants have a capacity of 3,122,000 kw. to which may be added 150,000 kw. scheduled to go into operation at the Ridgeland station late in 1953. Three additional 150,000 kw. units are scheduled for completion in 1954, or a total of 450,000; and in 1955 a 191,000 kw. unit is planned for installation by the subsidiary, Chicago District Electric Generating. By the end of 1956 the System should have a net effective capacity of 3,913,000 kw., an increase of 71% in the postwar period.

The company's gas business made considerable progress in 1952 as larger supplies of natural gas became available and new home-building in northern Illinois continued at record levels. Fifty-two thousand residential customers began to use space-heating in that year, bringing the total to 127,000. However, saturation was still only 30% and there was a waiting list of 60,000 heating customers. The company hopes to benefit by the construction of a huge underground gas storage project near Herscher (about 60 miles southwest of Chicago) by a subsidiary of Peoples Gas. Some initial difficulties have been encountered with this project due to leakage, but these are reported largely overcome.

Commonwealth Edison some months ago announced plans for the segregation of its gas division, and a new company, Northern Illinois Gas Company, has recently been formed. Commonwealth is currently issuing $60 million gas divisional lien bonds due 1979, which will later become first mortgage bonds of the gas company. Details of the transfer of properties and securities between the two companies are contained in the red herring prospectus on the new bond issue. The new gas company is expected to earn somewhere in the neighborhood of 90¢ to $1.10 a share during 1954-55 on its common stock, of which there are to be 5,500,000 shares outstanding. It is reported that the dividend payout may approximate 75% of earnings.

The new stock might therefore be expected to sell initially somewhere in the neighborhood of 12-14, it is estimated, when held by the public. But Commonwealth has not yet divulged any time schedule for the distribution of the gas stock to its own stockholders. Based on the purely arbitrary assumption that the stock might be distributed over a 10-year period, this would result in Commonwealth stockholders receiving annually stock worth perhaps 40¢ a share (not subject to current income tax) in addition to the regular $1.80 cash dividend, or whatever rate Commonwealth may pay in future.

Commonwealth's current earnings, including the gas division and adjusted for the rate increase, would approximate $3, but full conversion of the two preferred stocks would reduce this figure to around $2.75. The gradual loss of earning power due to future distribution of gas stock might be largely offset by increased electric earnings, it is conjectured. Commonwealth has been selling recently around 38½ to yield 4.68%. The price-earnings ratio is 16.5, but based on the adjusted pro forma earnings of $2.75, the ratio would be 14.

Year	Revenues (Millions)	—Com. Stock Record— Earns.	Divids.	Approx. Range
1953	$326*	$2.34*	$1.80	38-32
1952	304	2.25	1.80	35-30
1951	281	1.93**	1.70	33-28
1950	271	2.12	1.60	33-26
1949	249	2.13	1.52½	31-25
1948	238	1.76	1.42½	29-25
1947	219	1.97	1.40	34-25
1946	196	1.91	1.40	36-29
1945	192	1.89	1.40	34-29
1944	189	1.78	1.40	29-25

*For 12 months ended Sept. 30, 1953.
**Reduced 20c by adoption of bi-monthly billing.

Why Don't You Stimulate Individual Enterprise

by returning to the GOLD COIN STANDARD?

INDIVIDUAL enterprise flourishes only when risk can be calculated, and when earned rewards can be retained. Calculation is impossible when the medium of measurement — money — is unreliable. And rewards—paid in currency of shrinking value—are as tenuous as the smokescreen created by the fire of inflation.

The Federal administration was elected on promises of sensible economics and sound money. The best way to fulfill these promises is by enactment of the Gold Coin Standard. The best time to do it is now.

The right to redeem currency for gold coin is fundamental in a free economy. It gives the people sovereignty over government. When displeased with government financial practices, they can automatically halt monetary inflation by cashing in currency for gold coin.

For twenty years the recently deposed federal administration held this power away from the people. During those years, the purchasing power of the dollar declined about 60%.

Improvements in industrial productivity during the same period helped to mitigate the effects of the dollar's shrinking value. For example, Kennametal*—super-hard cemented carbide introduced in 1938, has tripled the output potential of metal-working and mining industries. But, it is a losing battle.

The President, important Cabinet members, Senators, and Congressmen have recognized the inherent rightness of return to the Gold Coin Standard.* Why, then, should legislative action on it be delayed? The United States owns 65% of the world's gold—$11 in gold for every $100 of currency and bank deposits.

Returning to the Gold Coin Standard will demonstrate to our citizens that its government has faith in them—will win the world's respect for our monetary might—will encourage individual enterprise and stimulate American industry, of which Kennametal Inc. is a key organization, to contribute ever-increasing benefits to all our people.

We must resume without devaluation or delay.

Excerpt from Republican "Monetary Policy" Plank

*Registered Trade-Mark

* The right to redeem currency for gold will help keep America free . . . ask your Senators and Congressmen to work and vote to restore the Gold Coin Standard. Write to The Gold Standard League, Latrobe, Pa., for further information. The League is an association of patriotic citizens joined in the common cause of restoring a sound monetary system.

One of a series of advertisements published in the public interest by

B-13

KENNAMETAL Inc.
Latrobe, Pa.

WORLD'S LARGEST Independent Manufacturer Whose Facilities are Devoted Exclusively to Processing and Application of CEMENTED CARBIDES

Continued from page 101

standard of living, our prosperity and our economic strength. Good, wholesome competition stimulates resourcefulness, ingenuity and creative power.

As has been the case for many years, various restrictive rules and regulations seriously handicap the railroads in their competition with other forms of transportation for the nation's traffic. Greater freedom in their operations would enable the railroads to increase their efficiency and strengthen their financial structure. Years ago the railroads ceased to be a monopoly, yet they continue to be treated as such.

As a people, and as a nation, we doubtless shall be confronted with many political and economic problems in 1954. But that is nothing new. We always have had problems, but despite them we have moved steadily onward and upward in progress, in prosperity and in national strength. Oftentimes, we have converted our problems into stepping stones to success. We should do the same thing in 1954.

B. S. VANSTONE

President, The Bank of Toronto, Canada

One of Canada's most prosperous years has just ended. Industrial activity has been strong and profitable, with exception in only a few lines. New construction has continued at a high level. Agriculture has had a good season. Government revenues have been sufficiently buoyant in the first three quarters of our fiscal year to practically assure a balanced budget, and exploration has been rewarded by the disclosure of worthwhile additions to already impressive lists of natural resources.

Byron S. Vanstone

Toward the close of the year, however, some indications of slackening in the momentum of the economy—such as listlessness in inventories in a few industries, notably textiles—began to make their appearance and when first recognized, created a little apprehension of conditions in the year ahead, but on close examination there are offsetting factors which dispel pessimism. It would appear largely a change from a sellers' to a buyers' market. Undoubtedly industry will be more competitive with the buying-public shopping for values, but with the heavy backlog of personal savings and employment holding up, business should continue to be reasonably good.

Mining discoveries of former years have been brought to the point of paying off in extra minerals. Saskatchewan's extreme north country has begun producing uranium. From the new mines at Lynn Lake the first copper ore has commenced to roll southward to Edmonton, Alberta, for modern refining with natural gas, and fertilizer will be a by-product of the process. New open pits, supplied with power by submarine cables under the St. Lawrence River, will soon produce copper in the wild Gaspe interior; and our new railway should be ready next summer to bring iron ore from the surface deposits in Labrador.

Without doubt Canada, being close to great markets, will grow vastly in importance as a source of industrial materials.

Petroleum has forged ahead to first place in value among our subsoil products. Already half way to self-sufficiency in oil, we may attain it altogether in the next few years. Pipelines have been completed from Alberta over the Rockies to the West Coast and also to Eastern Canada.

The prodigious engineering achievement at Kitimat, B. C., will soon begin producing aluminum for ourselves and for export.

The outlook for our large forest industries has improved considerably, with renewed interest by Great Britain and the Orient in our markets.

Capital expenditures will continue at a high figure and while there may be some falling off in industrial expansion, construction for homes, hospitals, schools, roads, will be on an extensive scale.

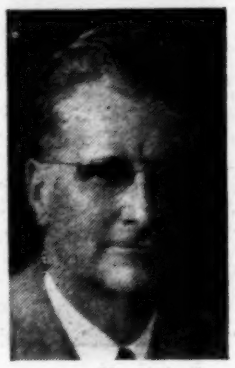
In connection with defense expenditures, the government has intimated that these will be maintained at the recently established rate of over $2 billion a year and announced a seven-year commitment for aircraft which will keep this industry in full production for some years to come.

Summing this all up, our National Product should continue at a high figure and while competition will necessitate sound merchandising, with our natural resources, industrious people and stable government, we can look to the future with confidence.

ERNEST H. VOLWILER

President and General Manager, Abbott Laboratories

There are good prospects that this year the drug industry will show some further growth over 1953. This will be based largely on growing demand for products recently developed and marketed, plus some others coming from the research laboratories this year. Among the favorable factors are the increasing awareness of the importance of disease prevention, and the demand for the best medical care, including of course the most effective drugs; our population growth, at the rate of 2½ million per year; the continuing emphasis on research in the drug field, for which $100 million is spent annually in the U. S.; and the recognition and acceptance of American pharmaceuticals in foreign countries as the standards of originality and quality.



Ernest H. Volwiler

On the unfavorable side are the overcapacity that has been built up, especially in the antibiotic field; a weak price situation in certain lines; import restrictions and devaluation in some foreign countries; and the renewed competition in export, particularly from Germany, England, and Switzerland.

Because of the larger percentage of small children and of older people, there is a growing awareness of the importance of diseases in these class groups. For the elderly, this is leading to much more attention to developing drugs for the alleviation and cure of diseases of the heart and circulatory system, arthritis, and cancer. For people of all ages and in all walks of life, the cost of good drugs and good medical care is but a small part of the economic waste caused by illness.

The drug industry is a fundamental one, and as such is somewhat less suspectible to the vagaries of general business. Within itself, it is highly competitive. Often valuable new drugs soon encounter competition from some other newly discovered products for the same purposes.

In spite of the weak price situation for penicillin and streptomycin — or possibly partly because of it — the search for new antibiotics goes actively on. Some bacteria develop resistance to an antibiotic, like penicillin, and it is well to have other products available for replacement in such cases. This kind of struggle with versatile bacteria will go on and on, so we may expect a continuing interest in new antibiotics and similar agents. Also, there are still many diseases awaiting newer and better drugs, such as tuberculosis and the diseases caused by viruses. Thus there seems to be no limit to the demands, and almost no limit to the possibilities.

Some of these possibilities should be met in 1954. To meet them, still more aggressive selling and promotion will be used, and there seems to be good reasons for expecting 1954 to compare favorably with 1953.

A. E. WALKER

President, The National Supply Co.

Based on industry forecasts that the number of wells drilled in 1954 will be about the same as in 1953, and that domestic oil consumption will show a normal increase of about 3 to 4%, we can expect our business for the first six months of 1954 to be most satisfactory. To predict beyond a six months period would be guessing.

A. E. Walker

There is nothing in the immediate future to stimulate the purchase of capital goods, such as new drilling rigs, because operators, having purchased heavily in the past few years, are going along with the equipment they have. But with the number of rotary rigs in operation at year end in excess of 3,000, almost an all-time high, there should be a continuing demand for many of the other items sold in National's oil country stores.

Our tube mills at Ambridge and Etna, Pa., operated by the Spang-Chalfant Division, both have good order books for the first quarter of 1954. National Supply also has an engine plant at Springfield, Ohio, and plants at Toledo, Ohio; Houston, Texas; and Torrance, California, for the manufacture of oil field machinery and equipment. A new $3,700,000 plant is now under construction at Gainesville, Texas.

National's sales in 1953 reached an all-time record, more than $230 million. Net income was in excess of $9 million. The net income was $9,559,231 in 1952 and reached the record figure of $10,933,308 in 1951.

The year just ended was marked by the devolpment of a number of new products by our company. These include two new drilling rigs, one for medium-to-deep drilling and the other a truck-mounted rig for shallow drilling and well servicing; a new gas engine and a new diesel engine, a torque converter intended for both oil field and industrial use, a triple X pump and two new hydraulic pumping units, a new grade of oil well casing with a minimum yield strength of 110,000 pounds per square inch, and a new oil well tubing that will withstand the extremely severe and variable conditions encountered at record well depths.

During the year National opened new stores at Liberal, Kansas; Fort Morgan, Colo.; Whitesboro, Texas; and Newcastle, Wyoming; and Weyburn, Sask., Canada. It now has 118 supply stores throughout the oil country of the United States and Canada. A number of the stores have been enlarged and modernized during the year.

The world's record for deep well drilling, made by a National Supply rig in 1949, was broken by another National Supply rig in August, 1953. The new record depth is 21,482 feet.

D. S. WALKER

Vice-President, Combustion Engineering, Inc.

I find it rather difficult to make a firm forecast for our operations in 1954. In our particular line of business where the major portion of our production covers items with deliveries ranging from one to three years, there can easily be a wide discrepancy between billings and bookings. For 1954—due to the fact that we still are in the fortunate position of having an extremely good backlog—our billings should be most satisfactory.

D. S. Walker

A major portion of our total dollar volume is secured from the Public Utilities. This covers steam generating and fuel burning equipment for the large Central Stations. Hence, our bookings of new business depends upon that industry's forecast for the load demands of three years in the future. 1953 saw the smallest total volume of such business that has been placed in several years. We were fortunate, indeed, in securing a relatively high percentage of this total. However, it was still materially less than similar business booked in 1951 and 1952.

Based upon the close correlation of our own forecast with those of the electric industry and such other major suppliers as General Electric and Westinghouse, we feel relatively confident that the bookings in 1954 will be somewhat greater than those of 1953.

We anticipate approximately the same total volume of business booked from the industrial fields. Here we supply not only the steam generating and fuel burning equipment but also grinding equipment for the process industries.

Our Soil Pipe and Domestic Hot Water Heater Division anticipates approximately the same amount of business booked as in 1953.

In summary we anticipate another good year in billings and a year modestly better in bookings.

CLOUD WAMPLER

President, Carrier Corp.

Air conditioning sales registered their greatest expansion to date during 1953 as total retail volume increased to about $1¾ billion as compared with $1¼ billion in the preceding year. The 1953 increase was double that shown by the industry in 1952, and the most significant areas of growth in 1953 were in year-round air conditioning for homes and in large central systems for multi-story office buildings.

Cloud Wampler

Estimates in the various lines of air conditioning are as follows:

In the residential field, sales of central equipment for entire homes increased nearly three-fold, from 15,000 units in 1952 to nearly 50,000 units during 1953.

Sales of room air conditioners—of which about 75% are currently going into homes — more than doubled, from 412,000 in 1952 to close to 1,000,000 in 1953.

At the same time, a pronounced trend toward the complete central air conditioning of **existing** office buildings became apparent during 1953 in the nation's major cities. This was on top of a continued demand for central systems for **new** office building construction.

Carrier Corporation sales in all fields of air conditioning and refrigeration, including defense business, rose to about $165 million in fiscal 1953. This compares to 1952 volume of about $108 million, and marked the fourth consecutive year of new sales records for Carrier, further strengthening the company's position of leadership in the industry.

Over-all sales results during 1953 have strengthened my prediction that the 1950's will be the great growth decade for the air conditioning industry. The growth trends evidenced during 1953 can be expected to continue over the years to come and by 1962 total retail sales should reach the $5 billion mark.

The fastest-growing segment of the industry and that which offers the greatest potential is in year-round air conditioning of homes. The great proportion of such installations in 1953 were in new homes, many of them in the under-$15,000 speculative building field. This was made possible by the development of compact, economical year-round units.

In the coming year the industry will see another major residential market begin to develop, that in the nation's existing homes. This potential is virtually untouched and is even greater than that for new residences.

In total, it seems probable that the number of dwellings with complete, year-round aid conditioning should total about 2,000,000 by 1958 and that such central equipment for both new and existing homes should be selling

at a rate exceeding 1,000,000 installations a year 10 years from now.

A similar evolution is already apparent in the office building field. The majority of large, multi-story office structures built since World War II have included complete central air conditioning in their basic planning. Today, large numbers of existing buildings are installing central air conditioning as the most effective means of meeting the competition for first-class tenants and employees now developing in many cities as the result of recent, large-scale building construction.

Outside of residences and office buildings are the many industrial plants where air conditioning will become a competitive requirement in order to obtain the most efficient working conditions. This market represents the greatest single potential next to residential installations.

In addition, the current evolution of new products and methods, such as synthetics of all types, together with high precision, virtually automatic manufacturing operations has created an even stronger need for air conditioning as a processing device.

We have arrived at a period in this nation's history when virtually every structure—residential, commercial, or industrial—presents a demanding and increasingly immediate air conditioning opportunity. Nor can anyone sensibly say that a single type of equipment is the "best" to handle this potential, since each situation requires its own most satisfactory and economic solution. Along with the recent extraordinary growth of residential systems, Carrier for example has this year recorded an increase of nearly 40% in orders booked for "big" central system air conditioning. Our sales of packaged equipment for commercial use — currently among the largest in the industry — are expected to increase in about the same proportion.

Just as in other industries where large numbers of users and manufacturers new to the field were involved for the first time, a substantial amount of operational and service complaints can be anticipated. There can be no solution for this other than to produce the finest mechanical equipment possible, to provide maximum service, and to help educate the public to its effective operation, just as the public has now become an authority on the operation of motor vehicles.

As part of its program to meet this situation, Carrier is installing the most complete testing system on its room air conditioner production line ever seen in the industry. Further, Carrier will devote an important portion of its research, public relations and advertising activities—as in the case of its continuing Weathermaker Home campaign—toward developing the best usage of air conditioning, in the home and elsewhere.

For the first time in our industry's development, we have a very large segment of the public using air conditioning, and expecting a great deal of it. We are laying our plans to exploit our full potential of more than a half-century of knowledge, experience and expanding facilities, so that the ever increasing number of users will not be disappointed.

RAWLEIGH WARNER

Chairman, The Pure Oil Co.

Volume wise, 1953 broke all records in the petroleum industry. The weathervane points to a somewhat larger volume of sales in 1954. A somewhat smaller profit per unit is a possibility. At first glance, this may indicate economic smog, but it is, in fact, the way American industry has been penetrating mass markets for many years.

Rawleigh Warner

If larger volume compensates for a smaller unit margin, industry profits for the year could equal 1953. This would, of course, be further ensured if corporate income taxes were reduced a few points below the present rate of 52%. But if the industry can have a breather from rising costs, as seems likely on its purchases of materials, and in wage costs also, 1954 earnings may equal those of 1953. In 1954, greater economy will be the watchword.

A moderate tightening up of the economy is stimulating. Much permanent good can come from it. The old reliable spur of competition will bring research and product improvement. More efficient operations and higher quality for our consumers should result in lasting benefits to the country.

Inventories of crude and products are excessive in terms of present markets. The highest volume of imports in history is causing concern. However, it is fortunate that the importing companies are American owned and have large domestic producing interests. It does not seem likely that they will commit domestic suicide while enjoying a tour abroad.

A settlement in Iran will increase the pressure of supply still further. On the other hand, domestic demand is rising and world demand faster still. Problems of over-supply are old in the industry and have always been solved successfully. With patience and intelligence, the present imbalance should not be a formidable barrier to progress.

Legislatively, the industry ends the year better than it began. The lifting of the remaining controls and the settlement of the "Tidelands" dispute have given the industry more freedom to handle its problems and greater incentives to do so. There is a better "tone" in industry-government attitudes than in many years. The fact that the Administration in Washington intends to liquidate its investment in synthetic rubber plants is proof of its determination to arrest the "darkening shadow" of big government before all important business has gone into eclipse. Ample credit is available. A rising confidence in the future value of the dollar as a result of checking inflation and a substantial reduction of Federal spending is bound to encourage business.

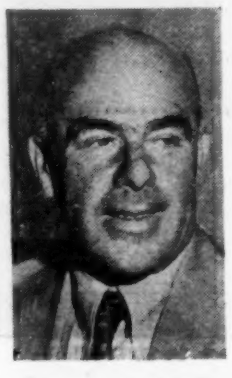
Petroleum is one of the great growth industries. No one can watch the rising tide of population and be gloomy about the future.

CHARLES WARD

President, Brown & Bigelow

Brown & Bigelow's all-time record breaking sales for the month of December are an indication of high optimism on the part of American businessmen.

Orders accepted for December, which marked the company's 58th year in business, totalled $8,068,022 as against $7,396,979 in the same month of 1952. This is an increase of $671,043 or a gain of 9.07%. The number of orders increased from 34,531 in December of 1952 to 39,052 for December 1953 or a 13.09% jump.



Charles A. Ward

As the bulk of incoming orders are for calendars sold for hanging in 1955, the record high December sales certainly shows that businessmen face the future with every hope of continued prosperity.

The firm's 1955 calendar sales opened Nov. 30. Products are processed and slated for delivery late in 1954.

Since Brown & Bigelow sells its products to every type of business from the corner grocery to the largest of corporations, its sales often are taken as an excellent barometer of business conditions.

CARL F. WENTE

President, Bank of America National Trust and Savings Association, San Francisco, Calif.

It seems to me that one of the best things we can do about the problems of 1954 is to keep a sense of proportion.

During 1953 I noticed that about the most depressing factor was a doleful expectation that things were going to get tough, but actually most people came out at the end of the year better off than they expected to be. It has been one of California's biggest years!

Carl F. Wente

As there have been plenty of warnings about rough spots here and there, our shock absorbers should be in good shape. So if we feel a bump now and then, let's take it in stride. There will be some hills and valleys to cross and at times we may not see around the curves, but we are on a good road and with careful driving we'll go places.

With a long way yet to go, there is every reason for confidence.

My counsel to my fellow Californians is: Let's keep doing our individual shares of attending to our businesses and being good citizens, working constructively and efficiently to produce, and to improve our product. Let's not waste any time watching our competitor but put that effort into selling and to giving better service to our own customers.

While doing this we should each do a share to help master our public problems such as water supply, highways, city traffic, smog, and those problems of national import such as real tax reduction.

With a proper concentration on all such activities there is not likely to be much time for idleness in 1954!

WILLIAM WHITE

President, New York Central System

For eight years the railroads have made capital expenditures at the rate of more than $1 billion a year. Thus they enter 1954 in the best physical condition in their history. The magnitude of the improvements already made means that the railroads now can reduce the rate of capital expenditures somewhat, while continuing to realize, and in many cases increasing, the benefits therefrom.

William White

While the railroad plant is unmatched for low cost transportation, the railroads will not relax their efforts to better both the plant itself and their use of it.

We go either forward or backward; we cannot stand still. And the railroads propose to go forward, improving their service, engaging in competitive pricing research, in transportation research, and in scientific research, to the end that they may continue to produce better service to the public through methods and procedures that lead to more efficiency and economy and to reduce the evil of idle investment.

The railroads hope that 1954 will bring long overdue revision of the outmoded regulatory procedure under which the industry operates. They seek to eliminate delays in making price changes, to acquire greater latitude in performing their managerial functions in a keenly competitive market, and to repeal or reduce excise taxes on transportation, especially the excessive excise tax now applying on passenger transportation, which was levied during World War II as a penalty to discourage passenger travel.

There is a dynamic quality about the railroad industry, the potentials of which can be better realized by removing the shackles of "horse and buggy" regulation of an outmoded monopoly era. In this advanced competitive era, regulation should not be imposed for regulation's sake, but should be only that which is required in the public interest.

JOHN R. WHITE

President, Imperial Oil Ltd.

The outlook for business in Canada during 1954 is regarded as favorable and forecasters generally envision another year of high employment and income with further expanded efforts in most fields of activity. The Canadian oil industry again expects increases in consumer demand, with requirements averaging substantially more than the half million barrel daily average of the past year.

Expansion of refinery, transport and marketing facilities, which was very substantial during the past year, will continue and it is thought that Canadian crude oil will meet more than half of the domestic needs as compared with about 45% in 1953.

The Province of Alberta is the dominant producer of Canadian crude oil and will continue as such for a considerable period at least. However, the industry's extended exploration work in the Provinces of Saskatchewan and Manitoba east of Alberta, and in part of British Columbia to the northwest, and the Northwest Territories beyond Alberta's northern boundary, have produced significant results particularly in the last year. It now seems assured that Canada is one of the world's major storehouses of oil reserves, and in view of the large area involved it will be many years before they can be evaluated.

The work of exploring for and developing these reserves will again go forward actively in the hands of the many competing interests. Some estimate that during 1953 these operations were carried on with expenditures totaling about $365 millions. Larger outlays seem indicated for 1954.

A recent decision by the government of the Province of Alberta to permit export of some of the large gas reserves which have been discovered in the course of oil exploration will further encourage the oil and gas seekers, and if steps are taken to provide access to potentially large gas markets that can be reached on terms satisfactory to producers, transporters and consumers, there will be a marked increase of activity in gas field development. Large scale shipments of gas may not be possible for some years—the development of new markets and transport facilities is a very big undertaking—but it is expected that the required capital will be available to support economically sound projects.

Western Canada oil is now being exported to the east as far as Ontario and to the Pacific Coast, the latter movement beginning late in 1953. It is interesting to note that Canada's potential production of oil is now sufficient to meet about 70% of her requirements whereas seven years ago less than 10% of the then much smaller needs could be supplied from Canadian oil fields.

JUSTIN R. WHITING

Chairman of the Board, Consumers Power Co.

We look forward to another year of expanding business activity throughout the franchise area of Consumers Power Company. We estimate our total operating revenue will show an increase of over 6% as compared to an increase of about 14% last year. This will result from increased sales effort notwithstanding a probable slower pace in business generally.

Justin R. Whiting

In the gas branch of the business, we may connect additional space heating customers as and when we are able to purchase additional gas from our supplier in 1954. In the year just ended, we added 20,000 additional space heating customers and have applications on file for more than 40,000 others. We expect to continue our program during the coming year of selling gas for small industrial and commercial applications so as to improve our load factor.

We have some large electric loads coming on the line in the industrial side of the business in 1954. We expect commercial building activity to increase. In the residential classification, we will seek to improve the saturation of air conditioning, ventilation, freezers, clothes dryers and water heating. Television is showing substantial growth throughout the area. In all classifications of this branch of the business, our sales effort will undertake to improve our load factor.

From the long range point of view, we expect increases to continue on a comparable basis to those of the past. Our construction budget for 1954 is the largest in our history—$63,000,000. It is made necessary by the continuing growth of outstate Michigan and the increasing use of electricity and gas by all classes of customers.

This program will continue the construction this year of two large steam generating units of 135,000 kw capacity each. One of these, the Weadock unit located near Bay City, is scheduled for operation in 1955. The other, the B. C. Cobb unit, is located at Muskegon and intend-

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ed for operation in 1956. These new units will increase efficiency and provide increased capacity throughout our integrated system.

Wtih the vast sums of money required for these additional electric and gas facilities and the probable increases in unit costs of operation, we are confronted with careful study as to rates to make sure that our electric rates are compensatory.

1954 looks like another year of hard work and expansion.

L. E. WOLFSON

President and Chairman, Merritt-Chapman & Scott Corp.

The construction industry enters the new year with a strong backlog of work and the possibility that it might, in 1954, even top its all time record established in the year just ended.

This optimistic appraisal, exceeding government and trade association forecasts, is predicated on thinking that reflects both my attitude and those of many colleagues at Merritt-Chapman & Scott.


L. E. Wolfson

The government agency and trade association estimates are based only on plans projected by industry, and those responsible for public works construction. At Merritt-Chapman & Scott, we take a more aggressive view, repudiating the suggestion that potential purchasers alone determine the nation's annual construction activity.

Because of our own experiences, we reject the impression that members of the construction industry itself can play no active part in the development of construction programming.

The old concept of a construction organization as a hammer and saw contractor dependent on the plans and orders of others has yielded to the more modern reality wherein a firm such as Merritt-Chapman & Scott is equipped not only to perform the physical construction, but also to direct the planning and development of a project from its original conception to completion.

I think that some of our own trade associations are inclined, in their forecasts, to regard the industry in its earlier role of "innocent bystander," and I believe it is this thinking that influences the estimates of business in the coming year by government agencies.

Nevertheless, rejecting for the sake of argument the writer's optimism, the various year-end reviews and forecasts recently issued by the aforementioned groups also see 1954 as a year of great activity for the construction industry.

Both government agencies and trade groups agree that indications of tremendous volume in building are strong, with the total perhaps only 2% behind the $34.7 billion high mark in new construction set last year. The consensus is that despite this possible fractional drop, the total will exceed the previous record, set in 1952.

In support of these estimates, the forecasts cite existent plans by manufacturing industries for new plant and equipment projecting into 1954 at almost the same $28 billion expansion rate experienced in 1953. Slight possible reductions in this field, and in that of military construction, are expected to be offset by a further record rise in public works construction, particularly at state and local levels.

Nor can there be overlooked the long-range factors favorable to the industry, such as the needs for new schools and highways, the continuing growth in population and the increasing needs supplied by new types of business and science, to which President Eisenhower called attention on Jan. 4.

As I remarked, these predictions estimate future business entirely on the origination of projects by the purchaser, and do not take into account the industry's own initiative in getting construction plans in motion.

True, of course, no construction project can physically start until a contract is awarded, either by negotiation or by competitive bid. Today's modern contractor has an important part to play, however, in helping get a project "of the ground." Through the cooperation and counsel of a construction organization, there can be brought into being a factory, bridge, or sewage treatment works that often was but a gleam in someone's eye.

At Merritt-Chapman & Scott, we are geared to provide a complete service in the fields of both public works and private industry, that includes financing as well as design and construction. Were it not for the ability of a construction organization to provide this all-inclusive service, many sorely needed construction projects would never reach the planning board stage.

Merritt-Chapman's financing department is prepared to examine with the client the economics of a proposed project in relation to its construction, maintenance and operating costs, and to initiate and follow through on all phases of the financing program as well as to direct the project through to completion.

It is because of these facts, particularly as they apply to Merritt-Chapman & Scott, that we must reject the concept of the construction industry as passive, as that of an innocent bystander in the construction market place.

Others may purchase construction, but we can expedite the rise of our prospects for building work by the amount of effort we put into the translation of construction ideas into reality, and by our own original thinking on the subject.

C. E. WOOLMAN

President and General Manager, Delta-C & S Air Lines

The scheduled airlines look forward to a good year in 1954. It is estimated that there will be an increase of at least 5 million passengers this year above the 30 million flown in 1953. It is also estimated that 60 million people will be flying by 1960, with scheduled airlines operating five million miles daily. These estimates are based partly on the business of the past year and the fact that the scheduled airlines have exactly doubled passenger mileage in the past five years.


C. E. Woolman

An overall equipment-improvement program providing faster, more luxurious and more economical airplanes provide the scheduled airlines a sound basis for an optimistic outlook. Several of the major airlines, including Delta-C&S, have added the new Douglas DC-7 to their fleets. The DC-7 is the fastest propeller driven commercial transport and will enable us to offer the best possible service in the history of aviation.

An example of equipment programs underway is the investment of Delta-C&S Air Lines in a fleet of 20 new Convair 340's, now in service, and the 10 DC-7's, the first of which will be delivered next month.

Other major factors contributing to our outlook for a good business year include the variety of services our improved equipment makes possible. Aircoach services have been expanded and will continue to be, linking important cities on our routes. Savings up to 40% can be realized by air travelers between cities like: Dallas-Detroit; Dallas-Chicago; Dallas-Miami; Chicago-Miami; Chicago-New Orleans; Chicago-Houston, and many others.

Expansion of services to vacation areas, such as Miami and the Caribbean, result from an increase of over 30% in vacationers taking advantage of package vacations to resort areas last year. Each year an increasing number of people use air transportation to enjoy the greatest length of time at the vacation resort. Vacation club plans, which work like Christmas clubs, are being offered by firms all over the country to employees. This will mean an increase in the middle income group who travel during their two-weeks' vacation period.

New market potentials will be especially desirable to businessmen this year since it is generally agreed that 1954 is going to be a buyer's year. The link provided by air transportation gives the businessman his greatest opportunity to expand and grow. An example is the community of interest between the oil producing Southwest and Venezuela. One Delta-C&S flight leaving for Venezuela frequently carries a variety of exports ranging from needles to oil well drilling equipment.

When the trend moves from a seller's market to a buyer's market, we experience a nationwide transition in selling methods, whether we are marketing products or services. We will sell more aggressively in 1954; competition will be keener.

In the airline industry, we feel that our confidence is in line with opportunities to make 1954 a good business year. At Delta-C&S, we look forward to providing the best service and equipment in our history, and hope also to provide the needed links between cities to help attain a healthy economy.

WILLIAM F. WYMAN

President, Central Maine Power Co.

The slowing up in certain lines of business now appearing throughout the country has undoubtedly had influence on much of the comment and opinion being expressed as to what conditions will be in 1954. It is to be noted that not all views are the same and the difference probably can be accounted for in large part by differences in source of material or the interpretation of it. While it is not my purpose to express here an opinion on the situation nationally or to take issue with others, there is one side observation, particularly with respect to the pessimistic view, with which I am in accord. That is, the effect on the thinking of people and on their spending habits if they get an idea that hard times are ahead. This, in turn, can have an adverse effect on business and progressively defeat the objective of business prosperity in which we all have so much interest and concern. In other words, while periodic review of what lies ahead is both desirable and healthy, such statements should be made and used with care.


Wm. F. Wyman

As to business and industry in Maine, it is, of course, subject to the same influences which affect our economy nationally. Compared to some of the more heavily concentrated industrial areas of the country, however, one basic difference appears to exist in that the swings in the business cycle in Maine, either up or down, have historically been less extreme. Contributing to this situation in recent years are the continuing trends toward greater diversification of industry; the construction of modern industrial buildings to house new industry; and the expansion and modernization programs of many existing businesses.

As to conditions in the State of Maine, business generally was good in the year 1953, and represented record volume for many concerns. In the latter part of the year some lines of manufacturing were showing signs of reduced activity, which is not unlike the national picture. Sales of electric power to industry are a good barometer of this condition and while figures for the entire State are not yet available those for Central Maine Power Company, which serves a little more than two-thirds of the State's population, may be of interest. For the calendar year 1953 such sales, exclusive of secondary, show a gain of 11.4% over 1952, while sales for the last quarter represent a gain of 4.8%.

On the other hand, while these less favorable situations within the State are all matters of real concern, any appraisal to be of significance should also look at the whole picture and not just a part of it. The fact that a less favorable outlook is not the general situation and that in certain cases it is known to be a temporary situation are both of importance as well as the fact that prospects in many fields continue to be very good. All factors considered, we expect 1954 will be a busy year for Maine.

FRANK K. ZIMMERMAN

President, Lynch Corp.

Lynch Corporation is interested in many fields of business activity, manufacturing machines to produce items that find themselves in every home in the country. Because most of these items are necessities to American living, we base our outlook primarily upon the economic health of the country as a whole. Our chief products consist of glass forming machines and packaging machines for a wide variety of consumers' goods.


Frank Zimmerman

America has enjoyed a period in which personal savings have substantially grown. Social security measures and pension plans have also amassed huge sums of reserves to provide a measure of buying power for the aged and for the unemployed. The great bulk of the glassware our customers manufacture is used by food processors. Likewise, food processors constitute our largest class of package machinery customers. Historical statistics show that in periods of economic recession, the food industries are least depressed; so when we read prophecies of decreased activity in business, we are thankful for our close alliance with the food processors and their suppliers. It seems that those of us who are closely connected to the consumer goods industries stand in good stead to enjoy an expansion of our activities as the population continues to grow.

Having been closely associated with the glass container business for the past 35 years, we are somewhat surprised at the conclusion reached by a number of economists who feel that the glass industry is headed toward evil days. The facts indicate that few consumer goods producers can point to a record of growth like that of the glass industry, and few industries may point to such a diversified list of customers as have the glass manufacturers. And these customers are largely producers of essential foods, drugs and beverages. In the 12 months ended Nov. 30, 1953, more than 119½ million gross of glass containers were manufactured — a new high which is likely to continue to be exceeded as the population grows and as the superior qualities of glass as a packaging medium are further recognized. The ratio of dependence of the glass industry upon milk bottles may be appreciated by the fact that glass milk bottles are responsible for less than 5% of the business of the industry. As a manufacturer of glass making equipment, we are confident that milk will be delivered in glass bottles for years to come. We are happy to be a leading supplier to the stable glass industry.

Lynch Corporation goes into 1954 with an order backlog of more than twice its unfilled orders at the start of 1953. While earnings declined last year due to unusually large sums of money spent on research and development, we have taken steps which we believe will produce profits that are generally satisfactory in the period ahead, and, therefore, look to 1954 with enthusiastic optimism.

Continued from first page

Relation of Currency Supply To Economic Growth

the fluctuating line, through which a trend line is run, is supposed to portray "Gross National Product in constant 1939 dollars."

Our index of industrial production is supposedly our best single measure of industrial activity. Gross national product involves other considerations.

The author, or authors, of the article says that Carl Snyder, one-time economist for the Federal Reserve Bank of New York, was the "originator of the concept [of normal economic growth] in its present-day form" and then proceeds to point out that Snyder was dealing with "the growth of trade." The volume of trade and gross national product are not the same thing.

The word "stability" apparently refers to "stable prices." The author does not indicate whether he is dealing with all prices as his words literally indicate or with an index of prices such as an index of wholesale prices or of consumer prices. Presumably no one with any substantial experience as a student in the field of prices would suppose that all prices could or should be kept stable. And it is an elementary fact that stability of an index of a selected list of prices does not indicate economic stability in the sense of economic equilibrium.

The alleged new policy of the Federal Reserve authorities, says the author of the article, p. 29, "adds up to the most precise effort ever made to provide exactly the amount of additional money needed to sustain growth and, at the same time, maintain stable prices." On page 30 it is said that "the Administration is thoroughly committed to stability. It does not want to see prices drop—as they would if expanding goods were left to beat against a static supply of money."

The *Federal Reserve Bulletin* of March, 1953, carried an article on "Influence of Credit and Monetary Measures on Economic Stability," but neither it nor a preceding article on "The Monetary System of the United States," in the *Federal Reserve Bulletin* of February, 1953, nor a subsequent one on "Federal Financial Measures for Economic Stability," in the *Federal Reserve Bulletin* (May, 1953), contained advocacy of a program such as that outlined in *Business Week*. Apparently the closest any of those articles came to a statement of a principle resembling the contention of *Business Week* was in the *Federal Reserve Bulletin* of February, 1953, in which it was said, p. 106, that "An economy which is expanding requires an increasing supply of money to facilitate its growing volume of transactions." In that statement could be hidden a theory as outlined by *Business Week*.

Since May, 1953, the Board of Governors of the Federal Reserve System has not presented any advocacy of a theory, such as that presented by *Business Week*, which this author has seen. It would appear, therefore, that *Business Week*, if accurate as to the existence of the alleged new policy, has acquainted the interested public with a program which the Federal Reserve authorities have not yet presented publicly. In any event, the author of the article in *Business Week* writes with much sprightliness and with unqualified positiveness in respect to the accuracy of his contention as to the adoption of such a policy by the Reserve Board. He says, p. 29, that "This [new program] is all part of a long-range policy adopted by the Federal Reserve with the blessing and understanding of the White House . . ." and that "it's being hailed with delight in some of the country's most aggressive corporations and industries."

A Query as to the Meaning of Growth

The chart employed by *Business Week* to illustrate the alleged new policy contains a trend line running through a fluctuating curve on gross national product in constant 1939 dollars from 1929 to 1952, with a guess as to 1953, showing "a gradient rising upward at the rate of about 3% per year."

Without becoming involved in the technicalities of what is called "gross national product," one may nevertheless properly raise the question as to why anyone should think it appropriate to run a trend line through economic activities from 1929-1953, considering the extent to which such activities were distorted by World War II and the Korean War with their death, destruction, production for waste, give-away programs, subsidies, heavy government taxes and spending for a practically endless variety of wasted effort, and regard these latter activities as a part of real economic growth or of a real economic product. A trend line of that type surely requires interpretation and is open to serious challenge.

Besides the question as to what a trend line based upon real wealth usable in peace-time activities might be, there is the further question as to whether there is any correct basis for assuming that a trend line may not properly change direction at any time.

A Theory Is Offered to the Effect That Prices Are, Can Be, and Should Be, Determined by the Supply of Currency

"To keep on growing," says the article, p. 29, "this economy will need an increasing supply of money. And, if all goes according to plan, it will get that increase.

"This does not mean that businessmen can figure that a precise 3% increase, equivalent to about $3.7 billion in new currency and credit, will be pumped into the economy next year. It does not mean that a rising gradient for money supply can be considered as a rule of thumb guide, with the precise amount of annual growth subject to adjustments for inflationary or deflationary pressures. Although the rises will vary from year to year, the continuing increase will be at least enough to double the supply of money every 30 years."

Aside from the fact that a considerable proportion of the writing in the article falls outside the limits of scientific method—for example by stating that this or that "will" happen, as illustrated by the preceding sentence, and apparently by overlooking the fact that science operates only within the realm of accurate description and probability — one finds the major theory resting upon a quantity theory of the purchasing power of money, apparently operative chiefly over a period of 30 years. During the intermediate years, the supply of currency which is to be adjusted to the annual growth is to be subject to further "adjustments for inflationary and deflationary pressures."

Although the "quantity theory" is literally stated to be for a 30 year period, that type of theory is also applied on a yearly and six-month basis. Says the article, p. 29: "During the tight money squeeze of last May and June, the Fed's technicians were told to work separately on estimates of how much 'growth money' was needed annually. They reported back to the board, which decided that a factor in the neighborhood of 3% seemed indicated."

* * *

". . . The idea is being used in plotting money needs for the next six months."

It is common practice, in the interest of brevity, to call a theory which assumes that prices are or can be determined by the quantity of currency a "quantity theory of money." The same is true if the quantity of money is related to productive activity or gross national product.

Apparently no quantity theory of money which has thus far been stated has validity. The reasons should be clear if one relates the quantity of currency to the price level; and this procedure does no violence to the theory outlined in *Business Week* since the stated purpose of the policy allegedly adopted by the Federal Reserve authorities "with the blessings and understanding of the White House" is to "maintain stable prices." By avoiding the major questions inherent in the nature of the estimate called "gross national product" and in the trend line drawn through those estimates, and by going directly to the end allegedly desired—stable prices—we can focus our attention on the fallacies in the quantity theory of money and on stable prices as the end to be sought.

A Quantity Theory of Money Overlooks Other Factors Which Affect Prices

If one takes prices for the period of, say, a year—or longer, if one so chooses—he may not properly assume that the supply of money (metallic and paper money) and other currency (deposits subject to check or withdrawal by other means) in existence during that year has any close relation to prices during that year. The evidence alone is sufficient to dispose of such an assumption. But the reasons for the lack of relationship between the supply of currency (which includes money) and prevailing prices need to be understood.

Currency is a two-dimensional factor. Besides supply there is velocity. Often velocity — the rapidity with which the supply of currency is used—is a more important factor than is the supply of currency in affecting prices. That was the case, for example, during the sharp fall in prices from 1929 to July, 1932.

Therefore, in so far as the monetary aspect of prices is concerned, one should use bank debits, not the supply of money and credit in circulation, to determine, as well as monetary data permit, what is taking place. Bank debits are composed of bank deposits multiplied by velocity for banks in 345 reporting centers. Data on bank debits are, consequently, incomplete for the nation. We do not have information on the velocity of money (metallic and paper money). Bank debits for the banks in the 345 reporting centers amounted to $1,643,130,000,000 for 1952. On Sept. 30, 1952, money outstanding from issuing authorities was $30,275,000,000; total bank deposits for all banks were $192,960,000,000; the total of money and bank deposits was $223,470,000,000. Bank deposits as reported show deposits not in use. Their use is revealed in bank debits.

Besides the fact that bank debits, as reported, have defects as measures of spending in this nation during a year—for example, the fact that they involve mere transfers of bank balances as well as purchases—there is the further consideration that one may not properly relate the amount of spending during a year—if one knew how much is spent in a year—to prices during that year. One reason is that prices are the result of all the forces which determine them. There is the matter of the supply of goods and services offered for sale. Still further: prices are determined at various periods of time. The prices of one year are merely our records of the samples taken during that year. But the amount of money and credit spent during a year is in part used for partial payment on goods produced and priced in preceding years—say, five, ten, fifteen, thirty years earlier. There are the payments on houses, railway equipment, roads, public buildings, interest on loans, rents, repayments of principal, and so on and on, in compliance with contracts made a year or several years earlier. Some currency spent this year is for goods not yet produced and, in some instances, not definitely priced.

Apparently no one can possibly know how much spending in a year determines in any direct manner the prices which prevail during that year. The prices on a model of an automobile during a year are probably determined in high degree by the seller's experiences during the preceding year. In short, money and credit flow like a stream toward goods and services flowing toward money and credit. Prices are made over widely-varying periods of time; and the samples of prices entering our price indexes during a year or a month are simply sample prices during the periods involved. They do not reveal in any precise manner the effects of total spending during a year or month or the relation of the prevailing supply of money and bank deposits to goods and services sold during that year or month.

It is for these reasons, briefly, that no quantity theory of the value of money can possibly have validity.

Even though one may not understand price-making procedures, a little searching of the evidence should quickly dispose of the erroneous notion that prices, or productive activity, or gross national product, are related in any close manner to the supply of a nation's money and bank deposits.

The data shown in the accompanying table should make this clear.

It may be observed that with total money and deposits at $42,902,000,000 on June 30, 1920, the index of wholesale prices stood at 167, and that, with the volume up to $57,576,000,000 on June 30, 1936 (an increase of 34%), the index of wholesale prices stood at 79.2, less than half that for June 30, 1920. Accurate description of such data would force one to state that as the supply of currency is increased by 34% the index of wholesale prices could be expected to fall approximately 53%! A scrutiny of the percentage changes in parentheses should make clear the lack of support for the quantity theory of money as to the alleged relationship between the supply of currency and prices.

If one were to use the data for June 30, 1920, and June 30, 1933, in respect to the relation between the currency supply and the index of industrial production, those particular data would show that if the quantity of currency were increased by a little more than 1% the index of industrial production could be expected to fall 1.3%. Or, if one were to select the years, June 30, 1937, and June 30, 1939, the data would require one to say that if the supply of currency is increased approximately 7% the index of industrial production could be expected to fall approximately 16%.

One may select various combinations of data and expect to obtain a wide variety of figures (as revealed in parentheses) which should demonstrate the basic fallacies in the quantity theory of money in respect to the alleged relationship between the supply of currency and the volume of industrial production. The data also fail to provide support for an assumption that if the supply of currency were increased 3% per year as productive activity increases 3% per year the price level would be stable. Still further, it is to be remembered that much productive activity which entered our indexes, particularly beginning with World War II, was for waste and destruction.

The relationship of the currency supply to gross national product raises questions as to what is involved in gross national product figures. To escape involvement in that relatively intricate subject, perhaps it may suffice to point out that the figures in the table show that, as the supply of money and deposits increases or decreases, gross national product moves in the same direction, though not in any fixed relationship, and that such similarity of movement is to be expected within broad limits considering the

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Month and Year	Money in Circulation (In Millions)	Deposits, All Banks in U. S. (In Millions)	Total Money and Deposits (In Millions)	Index of Wholesale Prices (1926 = 100)	Index of Industrial Production (June; Adjusted for Seasonal Variation 1935-1939 = 100)	Gross National Product (Annual Totals; in Billions)
June 30, 1920	$5,181	$37,721	$42,902	167.0	79	---
June 30, 1926	4,598	53,845	58,443 (+ 36)*	100.4 (—40)*	95 (+20)*	---*
June 30, 1929	4,459	53,852	58,311 (—0.2)	95.2 (— 5)	114 (+20)	103.8
Dec. 31, 1929	4,578	55,289	59,867 (+ 2.7)	93.2 (— 2)	100 (—12)	---
			(— 26)†	(—32)†		
June 30, 1933	5,434	37,998	43,432 (— 27)	65.0 (—30)	78 (—22)	55.8 (—46)†
June 30, 1934	5,373	41,870	47,243 (+ 9)	74.6 (+15)	79 (+ 1)	64.9 (+16)*
June 30, 1935	5,568	‡45,766	51,334 (+ 9)	79.8 (+ 7)	84 (+ 6)	72.2 (+11)
June 30, 1936	6,241	51,335	57,576 (+ 12)	79.2 (— 1)	103 (+23)	82.5 (+14)
June 30, 1937	6,447	53,287	59,734 (+ 4)	87.0 (+10)	119 (+16)	90.2 (+ 9)
June 30, 1939	7,848	55,992	63,840 (+ 7)	75.6 (—13)	103 (—16)	90.4 (0)
June 30, 1941	9,612	67,172	76,784 (+ 20)	87.1 (+17)	159 (+54)	125.3 (+39)
June 30, 1945	25,746	151,033	177,779 (+132)	106.1 (+22)	220 (+38)	213.4 (+70)
March, 1951	27,119	169,760	196,879 (+ 11)	184.0 (+73)	222 (+0.5)	---
			(+ 12)†	(+71)†		
June 30, 1951	27,809	171,860	199,669 (+ 1)	181.7 (— 1)	222 (0)	327.8 (+54)†

*Figures in parentheses, except those marked (†), indicate percentage increase or decrease as compared with preceding year indicated. †Percentage changes marked (†) show comparisons of June 30, 1933, with June 30, 1929; and June 30, 1951, with June 30, 1945. ‡June 29.

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Relation of Currency Supply To Economic Growth

nature of the concept of, and figures on, gross national product. Had the Germans employed the same type of figures during and after World War I, when their currency supply and prices were reaching fantastic heights, it is reasonable to assume that the figures on the gross national product of the German people would also have reached fantastic heights despite the fact that in reality the people were sinking into a state of abject poverty, "eating black bread and wearing paper clothes." As gross national product figures are presented in this country, heavy government spending for waste and destruction and currency depreciation can raise them to relatively high levels. An increase in gross national product may not be the same as an increase in real wealth for peacetime civilian use; indeed it can reflect a decrease in such wealth.

In the data given in the table, the closest correlation between the increase in gross national product and volume of currency was for the year June 30, 1935-June 30, 1936. During that year the price level was practically steady (though the index of industrial production increased 23%). The currency supply increased 12%; gross national product increased 14%; and the price level declined 1%. The data for that year might seem to support a contention that if the supply of currency had kept pace with gross national product the price level would have been steady. But the data for the period June 30, 1937-June 30, 1939, should dispose of any idea that such a theory has validity. Gross national product was practically unchanged in 1939 as compared with 1937; the currency supply increased 7%; and the price level dropped 13%. If the thinking characteristic of the quantity theory of money were employed, it would be assumed that had the supply of currency remained unchanged, the price level should have fallen more than the 13% recorded.

The Mechanism for Increasing the Supply of Currency

As to the mechanism by which the supply of currency is to be increased, *Business Week* states, p. 30, that "The Fed introduces the growth factor into the money stream in the usual way—by increasing member bank reserves." In other words, we have here not only an untenable quantity theory of money but a further untenable assumption to the effect that a horse can be driven by pushing on the reins. Apparently in an effort to circumvent this latter well-known and well-established fallacy, *Business Week* says, p. 30, that "Both the theoreticians and the Detroit business economists say the annual growth factor will be an active sustainer of business whether businessmen feel like borrowing at the moment, or not."

The Board of Governors of the Federal Reserve System covered that fallacious notion adequately and well, and with its statement endorsed by 66 monetary economists, when it said on March 13, 1939 (*Federal Reserve Bulletin*, April, 1939, pp. 255-259): "The Federal Reserve System can see to it that banks have enough reserves to make money available to commerce, industry, and agriculture at low rates; but it cannot make the commercial banks use these reserves, it cannot make the public spend the deposits that result when the banks do make loans and investments."

The procedure, outlined by *Business Week*, for increasing the supply of currency opens the way to a further and great monetization of Federal debt. Furthermore, no consideration is given to the source and nature of the reserves in Federal Reserve banks necessary to support the proposed increase in the volume of currency.

The Question of Quality versus Quantity of Currency

Though the article in *Business Week* states that "to keep on growing, this economy will need an increasing supply of money" and that "the continuing increase will be at least enough to double the supply of money every 30 years," nothing is said as to the quality of the currency which is to be used to increase the supply just as nothing is said as to the quality of the present supply of currency.

When one embraces a quantity theory of money and ignores quality of the supply of currency involved, he has indeed closed his mind to the readily available lessons as to the sad consequences reaped by those people whose government officials subjected them to a currency program resting upon such a theory. The Knapp State theory of the value of money (Georg Friedrich Knapp, "The State Theory of Money," Macmillan and Co., Ltd., London, 1924, 4th ed.; 1st ed. 1905) and every variety of theory in defense of irredeemable paper money are forms of a quantity theory which stresses the importance of quantity to the exclusion of the element of quality. During and after World War I the German people were given a first-hand lesson as to the fallacies in the State theory of money—that is, that money has the value which the State gives it through regulation of supply. Schacht, under Hitler, provided the German people with a further lesson, in somewhat different form, on the fallacies in the State theory of the value of money. In basic principle the Knapp State theory of money and that outlined in *Business Week* are essentially the same.

When a government stresses quantity, and minimizes or ignores quality of a currency, that government has indeed adopted a dangerous course. Apparently there is none fraught with more evil in the field of money.

An honest and good currency involves a metallic money composed of a metal which has universal acceptability, with all other money redeemable in it at a fixed rate, and with all credit money automatically self-liquidating in nature. The metallic money can grow as the output of the mines increases and as the metal is imported or is returned from industrial uses. Credit can expand as business expands up to the point that endangers redeemability. Within those limits, and recognizing the wide variations in velocity which are possible in the use of a currency and the various devices for economizing in the use of metallic money in the form of clearing houses for credit instruments, productive activity of people should be expected to adjust itself. Falling prices over a relatively long period of time, with an increase in the value of people's savings, might well be a natural and proper consequence of the correct relationship between a nation's currency supply, and the people's use of it, on the one hand, and their productive activity and sale of goods and services, on the other.

The article in *Business Week* does not comprehend such a currency or such an adjustment. That article simply outlines a theory designed to support prices (presumably the price level) at the present level, regardless of the causes or unsoundness of present prices, by pumping more and more currency into circulation with nothing said as to the quality of the currency to be supplied.

As of Sept. 30, 1953, total deposits of all banks and the volume of money outstanding from the issuing authorities amounted to $223,235,000,000. According to the theory outlined in the article, the supply of currency 30 years from now should be at least $446,470,000,000. The simple and correct answer to that contention is that no scientist in the field of money can possibly know what our currency supply should be 30 years from now. But there is one thing he can say with accuracy; it is that the currency will fail to accomplish its proper purpose unless it is a currency of good quality—a basic factor overlooked or ignored in the theory outlined by *Business Week*.

A Single-Corrective Theory for Business Change

Besides the fact that the theory outlined rests upon an untenable quantity theory of money, it also provides a single-corrective theory for business change. The corrective prescribed is the expansion of currency. The state of economic health to be had by this monetary medicine is that which exists under an artificially stabilized price level.

The notion that there is such a thing as a valid single corrective for business change is as unsound as is the contention that a stable price level, which is not the natural result of economic equilibrium, is evidence of a healthy economy. The well-established facts are that economic changes arise from a multitude of causes and that no theory involving a single corrective or cure has validity. Economic health is at its best when the degree of economic equilibrium is at the highest attainable level. Neither currency manipulation nor an artificially stabilized price level produces that desirable state of economic affairs.

Of the single cause and cure theories advanced in respect to economic changes apparently none is more common — particularly among laymen—or ranks lower in degree of validity than those involving manipulation of a nation's currency supply.

The theory outlined in *Business Week* is merely a variation of those which emerged during the 1930's when a great variety of schemes for currency manipulation spread over this nation, and others, like a pestilential blight. Currency manipulation, rather than provision of a sound currency, has been one of mankind's outstanding sins, particularly since 1914. The article in *Business Week* is symptomatic of the efforts of those of the present generation, who have been infected with that variety of thinking, to prolong their indulgence in monetary obsessions.

An Impressive Statement in Opposition to Attempts to Stabilize the Price Level by Currency Manipulation

On March 13, 1939, the Board of Governors of the Federal Reserve System issued a statement, available in the *Federal Reserve Bulletin* of April, 1939, pp. 255-259, in which it said among other things: "Experience has shown . . . that (1) prices cannot be controlled by changes in the amount and cost of money; (2) the Board's control of the amount of money is not complete and cannot be made complete; (3) a steady average of prices does not necessarily result in lasting prosperity; and (4) a steady level of average prices is not nearly as important to the people as a fair relationship between the prices of the commodities they produce and those which they buy."

The statement contains the following additional well-grounded observation: "The Board believes that an order by Congress to the Board or to any other agency of Congress to bring about and maintain a given average of prices would not assist but would hinder efforts to stabilize business conditions. It would hinder, because the price average frequently would indicate a policy that would work against rather than for stability. Such an order would also raise in the public mind hopes and expectations that could not be realized."

On April 10, 1939, 66 monetary economists issued a statement in which they said that "The Board's statement is in harmony with well-established economic principles and with the facts of monetary history."

There is nothing in basic principle in the theory outlined in *Business Week* that is not very old or with which those monetary economists were not well acquainted. If they and the Board were correct in their contentions—and the available evidence readily supports them—then it follows that the theory outlined in *Business Week* is without valid support and is, consequently, fallacious.

The Correct Aim

The proper end to be sought by our United States Government and Federal Reserve authorities is economic equilibrium in which the factors in production and the forces in consumption, exchange, and distribution of income reach the best balance considering the natural resources, intelligence, capital equipment, and government of a nation.

The best means of moving toward economic equilibrium is provided by free and fair competition operating in free markets in terms of an honest and sound currency.

The Confusion and Dangers in the Theory and Program Outlined

To attempt to enforce a stable price level on the theory that it will contribute to economic health is to attempt to convert what should be the result of a healthy economic balance into a causal factor. Such an attempt is analogous to an effort to make an artificially stabilized thermometer control the surrounding temperature. It is in part a case of attempting to convert what is incorrectly held to be a desirable effect into a causal factor.

Such confusion of cause and effect relationships characterizes the monetary-control theory outlined and embraced by *Business Week*. The basic functions of money and credit and the nature and implications of economic equilibrium are misunderstood or overlooked or ignored. The fact that economic maladjustments caused by war, waste, destruction, and currency depreciation call for readjustments, if economic health is to be attained, is not acknowledged nor accepted by the author of that article. The program outlined rests upon the assumption that, regardless of what the maladjustments may be or what their causes may have been, the present price level can and should be maintained by a persistent expansion of currency. Presumably implied in the theory is a notion that any economic maladjustments which may exist can thus be made to disappear.

There is no valid basis for such a theory. There is no evidence to support the notion that our nation could adjust itself soundly or attain a high, or progressively higher, level of economic health by pursuit of such a program.

On the contrary, the evidence is to the effect that the theory and policy outlined point toward further currency manipulation, further monetization of Federal debt, further weakening of our currency structure, further impairment of the value of savings, more and more shots in the arm of the insidious and deadly drug of irredeemable currency, and a progressive degeneracy in the economic well-being of this nation.

Halsey, Stuart Group Offer Utility Bonds

Halsey, Stuart & Co. Inc. and Associates are offering today (Jan. 21) $30,000,000 Ohio Edison Co. first mortgage bonds, 3¼% series of 1954, due Jan. 1, 1984, at 101.93% and accrued interest, to yield 3.15%. Award of the issue was won by the group at competitive sale on Jan. 19 on a bid of 101.34%. The bond offering marks the first public offering of debt securities by the company since May, 1950, when it offered $58,000,000 of bonds in connection with its merger with Ohio Public Service Co.

Ohio Edison Co. currently is also offering 527,830 shares of common stock to its shareholders, which offering was underwritten last week.

Net proceeds from the sale of the bonds, and from the current sale of the 527,830 shares of common stock, will be used by the company for cash requirements for the construction of property additions in 1954 and for other corporate purposes.

The bonds will be redeemable at the option of the company, at regular redemption prices ranging from 105.43% to par, and at special redemption prices ranging from 101.93% to par plus accrued interest in each case.

Ohio Edison Co. is engaged in the generation, purchase, distribution and sale of electricity in 577 communities, as well as in rural areas, in Ohio, and in the sale of electric energy at wholesale to 24 municipalities and seven rural cooperative associations owning their own distribution systems and to two other electric companies in Ohio. The company also supplies steam heat in the downtown business sections of Akron, Youngstown, and Springfield, and incident to its electric business, sell appliances and cooperates with appliance dealers and retailers. Population of the territory served at retail, is estimated at about 1,400,000.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated steel operations (percent of capacity)	Jan. 24	§74.3	*74.3	64.1	99.7
Equivalent to—					
Steel ingots and castings (net tons)	Jan. 24	§1,772,000	1,772,000	1,444,000	2,248,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Jan. 9	6,284,350	6,194,400	6,225,400	6,468,300
Crude runs to stills—daily average (bbls.)	Jan. 9	¶6,960,000	7,202,000	6,915,000	7,117,000
Gasoline output (bbls.)	Jan. 9	24,620,000	25,141,000	24,502,000	23,768,000
Kerosene output (bbls.)	Jan. 9	2,872,000	3,020,000	2,708,000	3,080,000
Distillate fuel oil output (bbls.)	Jan. 9	10,382,000	10,358,000	10,377,000	10,900,000
Residual fuel oil output (bbls.)	Jan. 9	8,599,000	8,805,000	8,100,000	9,350,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Jan. 9	162,343,000	160,075,000	152,509,000	140,741,000
Kerosene (bbls.) at	Jan. 9	28,588,000	29,081,000	33,865,000	26,234,000
Distillate fuel oil (bbls.) at	Jan. 9	106,628,000	113,582,000	126,710,000	94,323,000
Residual fuel oil (bbls.) at	Jan. 9	49,668,000	49,435,000	50,445,000	48,876,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Jan. 9	624,229	477,805	651,951	688,110
Revenue freight received from connections (no. of cars)	Jan. 9	544,544	463,906	609,123	578,531
CIVIL ENGINEERING CONSTRUCTION — ENGINEERING NEWS-RECORD:					
Total U. S. construction	Jan. 14	$195,848,000	$225,873,000	$181,655,000	$548,827,000
Private construction	Jan. 14	89,675,000	78,926,000	107,899,000	382,967,000
Public construction	Jan. 14	106,173,000	146,947,000	73,756,000	165,860,000
State and municipal	Jan. 14	84,366,000	135,292,000	67,071,000	101,414,000
Federal	Jan. 14	21,807,000	11,655,000	6,685,000	64,446,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Jan. 9	8,140,000	*6,790,000	8,390,000	9,600,000
Pennsylvania anthracite (tons)	Jan. 9	534,000	410,000	514,000	667,000
Beehive coke (tons)	Jan. 9	Not avail.	40,900	59,500	110,800
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE = 100	Jan. 9	95	*81	216	89
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Jan. 16	§§9,013,905	8,824,801	8,896,250	8,121,357
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Jan. 14	200	202	210	158
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Jan. 12	4.634c	4.634c	4.634c	4.376c
Pig iron (per gross ton)	Jan. 12	$56.59	$56.59	$56.59	$55.26
Scrap steel (per gross ton)	Jan. 12	$28.83	$29.67	$30.67	$42.00
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Jan. 13	29.700c	29.700c	29.675c	24.200c
Export refinery at	Jan. 13	28.900c	28.650c	28.675c	35.050c
Straits tin (New York) at	Jan. 13	84.500c	85.250c	85.500c	121.500c
Lead (New York) at	Jan. 13	13.500c	13.500c	13.500c	14.000c
Lead (St. Louis) at	Jan. 13	13.300c	13.300c	13.300c	13.800c
Zinc (East St. Louis) at	Jan. 13	10.000c	10.000c	10.000c	13.000c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Jan. 19	97.62	96.97	95.88	96.43
Average corporate	Jan. 19	106.92	106.56	106.21	109.24
Aaa	Jan. 19	112.00	111.44	111.07	114.08
Aa	Jan. 19	109.06	108.52	108.16	112.56
A	Jan. 19	106.74	106.21	105.69	107.62
Baa	Jan. 19	100.65	100.32	100.16	103.13
Railroad Group	Jan. 19	104.66	104.14	103.97	105.17
Public Utilities Group	Jan. 19	107.44	107.09	106.56	109.24
Industrials Group	Jan. 19	108.88	108.34	108.16	113.50
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Jan. 19	2.67	2.71	2.77	2.80
Average corporate	Jan. 19	3.34	3.36	3.38	3.23
Aaa	Jan. 19	3.06	3.09	3.12	3.03
Aa	Jan. 19	3.22	3.25	3.28	3.10
A	Jan. 19	3.35	3.38	3.40	3.25
Baa	Jan. 19	3.71	3.73	3.73	3.52
Railroad Group	Jan. 19	3.47	3.50	3.52	3.37
Public Utilities Group	Jan. 19	3.31	3.33	3.36	3.24
Industrials Group	Jan. 19	3.23	3.26	3.28	3.07
MOODY'S COMMODITY INDEX	Jan. 19	417.8	418.9	406.2	406.7
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Jan. 9	†230,479	**185,853	212,109	‡295,157
Production (tons)	Jan. 9	†212,013	**103,430	246,855	‡260,644
Percentage of activity	Jan. 9	†78	**43	94	‡83
Unfilled orders (tons) at end of period	Jan. 9	†414,047	**392,425	402,833	‡512,208
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE = 100	Jan. 15	107.52	107.47	107.48	108.63
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION:					
Odd-lot sales by dealers (customers' purchases)—					
Number of orders	Jan. 2	25,360	19,289	25,663	26,709
Number of shares	Jan. 2	752,352	580,262	766,716	758,703
Dollar value	Jan. 2	$29,001,891	$23,617,381	$33,504,920	$33,201,396
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Jan. 2	27,941	22,880	28,300	25,868
Customers' short sales	Jan. 2	244	141	164	85
Customers' other sales	Jan. 2	27,697	22,739	28,136	25,783
Number of shares—Total sales	Jan. 2	869,608	701,514	813,387	734,213
Customers' short sales	Jan. 2	6,368	4,570	5,249	2,568
Customers' other sales	Jan. 2	863,240	696,944	808,138	731,645
Dollar value	Jan. 2	$27,244,610	$25,251,188	$30,706,080	$26,981,457
Round-lot sales by dealers—					
Number of shares—Total sales	Jan. 2	330,230	285,260	287,390	234,940
Short sales	Jan. 2	------	------	------	------
Other sales	Jan. 2	330,230	285,260	287,390	234,940
Round-lot purchases by dealers—					
Number of shares	Jan. 2	201,400	149,610	241,010	241,260
TOTAL ROUND-LOT STOCK SALES ON THE NEW YORK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total Round-lot sales—					
Short sales	Dec. 26	171,520	231,280	268,230	197,020
Other sales	Dec. 26	6,419,510	8,095,420	6,140,050	7,223,140
Total sales	Dec. 26	6,591,030	8,326,700	6,408,280	7,420,160
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS:					
Transactions of specialists in stocks in which registered—					
Total purchases	Dec. 26	614,700	791,560	632,900	744,490
Short sales	Dec. 26	87,620	127,930	116,330	105,060
Other sales	Dec. 26	458,860	633,540	464,670	611,870
Total sales	Dec. 26	546,480	761,470	581,000	716,930
Other transactions initiated on the floor—					
Total purchases	Dec. 26	156,400	212,380	178,990	184,500
Short sales	Dec. 26	2,500	7,900	7,000	15,200
Other sales	Dec. 26	131,870	151,790	126,910	175,140
Total sales	Dec. 26	134,370	159,690	133,910	190,340
Other transactions initiated off the floor—					
Total purchases	Dec. 26	337,730	314,430	237,200	299,550
Short sales	Dec. 26	26,040	22,670	31,270	28,420
Other sales	Dec. 26	215,811	228,750	202,783	268,843
Total sales	Dec. 26	241,851	251,420	234,053	297,263
Total round-lot transactions for account of members—					
Total purchases	Dec. 26	1,108,830	1,318,370	1,049,090	1,228,540
Short sales	Dec. 26	116,160	158,500	154,600	148,680
Other sales	Dec. 26	806,541	1,014,080	794,363	1,055,853
Total sales	Dec. 26	922,701	1,172,580	748,963	1,204,533
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49 = 100):					
Commodity Group—					
All commodities	Jan. 12	110.9	110.4	110.1	109.8
Farm products	Jan. 12	98.5	95.9	94.7	100.7
Processed foods	Jan. 12	106.1	105.2	104.9	104.4
Meats	Jan. 12	95.4	91.4	88.2	99.3
All commodities other than farm and foods	Jan. 12	114.5	114.5	114.5	112.8

*Revised figure. ¶Includes 535,000 barrels of foreign crude runs. †Nine days ended Jan. 9, 1954. §Based on new annual capacity of 124,330,410 tons as of Jan. 1, 1954, as against the Jan. 1, 1953 basis of 117,547,470 tons. ‡Ten days ended Jan. 10, 1952. **Five days ended Dec. 31, 1953. §§Record high figure.

	Latest Month	Previous Month	Year Ago
BUILDING CONSTRUCTION—U. S. DEPT. OF LABOR—Month of December (in millions):			
Total new construction	$2,661	$2,988	$2,550
Private construction	1,908	2,052	1,795
Residential building (nonfarm)	952	1,024	942
New dwelling units	850	905	850
Additions and alterations	78	94	74
Nonhousekeeping	24	25	18
Nonresidential building (nonfarm)	505	523	433
Industrial	176	177	193
Commercial	182	192	112
Warehouses, office and loft buildings	79	79	50
Stores, restaurants, and garages	103	113	62
Other nonresidential building	147	154	128
Religious	45	46	37
Educational	39	41	33
Social and recreational	17	17	11
Hospital and institutional	26	26	28
Miscellaneous	20	24	19
Farm construction	88	100	97
Public utilities	354	396	314
Railroad	44	45	43
Telephone and telegraph	47	50	45
Other public utilities	263	301	226
All other private	9	9	9
Public construction	753	936	755
Residential building	39	42	49
Nonresidential building	336	355	342
Industrial	123	131	142
Educational	155	158	134
Hospital and institutional	21	24	36
Other nonresidential building	37	42	30
Military and naval facilities	92	101	111
Highways	145	280	112
Sewer and water	63	67	56
Miscellaneous public service enterprises	13	18	13
Conservation and development	56	63	67
All other public	9	10	5
COTTON AND LINTERS — DEPT. OF COMMERCE—RUNNING BALES:			
Lint—Consumed month of November	684,990	972,128	754,987
In consuming establishments as of Nov. 28	1,586,062	1,506,192	1,466,238
In public storage as of Nov. 28	11,219,555	9,406,484	7,463,996
Linters—Consumed month of November	110,888	123,614	108,856
Stocks Nov. 28	1,260,789	1,156,487	852,476
Cotton spindles active as of Nov. 28	19,990,000	19,953,000	20,178,000
COTTON SEED AND COTTON SEED PRODUCTS—DEPT. OF COMMERCE—Month of November—			
Cotton Seed—			
Received at mills (tons)	1,386,511	1,860,394	1,097,259
Crushed (tons)	763,154	777,892	719,410
Stocks (tons) November 30	2,769,505	2,146,148	2,387,760
Crude Oil—			
Stocks (pounds) November 30	143,804,000	134,001,000	188,505,000
Produced (pounds)	249,924,000	251,701,000	231,827,000
Shipped (pounds)	237,277,000	192,514,000	203,197,000
Refined Oil—			
Stocks (pounds) November 30	1,016,037,000	*966,498,000	445,493,000
Produced (pounds)	221,226,000	179,751,000	190,061,000
Consumption (pounds)	151,011,000	133,253,000	66,397,000
Cake and Meal—			
Stocks (tons) November 30	163,022	163,838	144,420
Produced (tons)	361,549	371,321	348,802
Shipped (tons)	362,365	320,170	319,496
Hulls—			
Stocks (tons) November 30	52,827	51,795	52,154
Produced (tons)	167,891	166,229	154,926
Shipped (tons)	166,859	161,596	152,086
Linters (running bales)—			
Stocks November 30	194,068	157,822	279,398
Produced	239,802	246,647	233,475
Shipped	203,556	186,833	186,132
Hull Fiber (1,000-lb. bales)—			
Stocks November 30	1,097	1,220	1,718
Produced	1,785	2,322	2,402
Shipped	1,908	2,002	2,302
Motes, Grabbots, etc. (1,000 pounds)—			
Stocks November 30	7,226	6,197	8,843
Produced	3,479	3,831	4,697
Shipped	2,450	2,149	2,535
COTTON SPINNING (DEPT. OF COMMERCE):			
Spinning spindles in place on Nov. 28	22,930,000	22,906,000	21,583,000
Spinning spindles active on Nov. 28	19,990,000	19,953,000	20,180,000
Active spindle hours (000's omitted) Nov.	8,719,000	11,192,000	9,219,000
Active spindle hours per spindle in place Nov.	447.1	452.2	506.0
MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS—Month of Dec.:			
Industrial (125)	5.54	5.53	5.14
Railroad (25)	7.43	7.05	5.56
Utilities (not includ. Amer. Tel & Tel.) (24)	5.28	5.26	5.07
Banks (15)	4.61	4.28	4.18
Insurance (10)	3.26	3.32	2.99
Average (200)	5.55	5.53	5.13
REAL ESTATE FINANCING IN NONFARM AREAS OF U. S. — HOME LOAN BANK BOARD—Month of October (000's omitted):			
Savings and loan associations	$658,417	$654,132	$627,343
Insurance companies	123,233	124,654	134,920
Bank and trust companies	319,874	314,863	342,393
Mutual Savings banks	122,674	123,244	117,286
Individuals	251,176	241,897	253,100
Miscellaneous lending institutions	270,467	269,718	252,301
Total	$1,745,841	$1,728,508	$1,727,343
UNITED STATES GROSS DEBT DIRECT AND GUARANTEED—(000's omitted):			
As of December 31	$275,243,758	$275,282,380	$267,445,125
General fund balance	4,576,528	5,922,862	6,064,343
Net debt	$270,667,230	$269,359,518	$261,380,782
Computed annual rate	2.414%	2.424%	2.353%
U. S. GOVT. STATUTORY DEBT LIMITATION—As of Dec. 31 (000's omitted):			
Total face amount that may be outstanding at any time	$275,000,000	$275,000,000	$275,000,000
Outstanding—			
Total gross public debt	275,168,120	275,208,583	267,391,155
Guaranteed obligations not owned by the Treasury	75,638	73,796	53,969
Total gross public debt and guaranteed obligations	$275,243,758	$275,282,380	$267,445,125
Deduct—other outstanding public debt obligations not subject to debt limitation	572,857	575,452	623,859
Grand total outstanding	$274,670,901	$274,706,927	$266,821,266
Balance face amount of obligations, issuable under above authority	329,098	293,072	8,178,733

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Relation of Currency Supply To Economic Growth

nature of the concept of, and figures on, gross national product. Had the Germans employed the same type of figures during and after World War I, when their currency supply and prices were reaching fantastic heights, it is reasonable to assume that the figures on the gross national product of the German people would also have reached fantastic heights despite the fact that in reality the people were sinking into a state of abject poverty, "eating black bread and wearing paper clothes." As gross national product figures are presented in this country, heavy government spending for waste and destruction and currency depreciation can raise them to relatively high levels. An increase in gross national product may not be the same as an increase in real wealth for peacetime civilian use; indeed it can reflect a decrease in such wealth.

In the data given in the table, the closest correlation between the increase in gross national product and volume of currency was for the year June 30, 1935-June 30, 1936. During that year the price level was practically steady (though the index of industrial production increased 23%). The currency supply increased 12%; gross national product increased 14%; and the price level declined 1%. The data for that year might seem to support a contention that if the supply of currency had kept pace with gross national product the price level would have been steady. But the data for the period June 30, 1937-June 30, 1939, should dispose of any idea that such a theory has validity. Gross national product was practically unchanged in 1939 as compared with 1937; the currency supply increased 7%; and the price level dropped 13%. If the thinking characteristic of the quantity theory of money were employed, it would be assumed that had the supply of currency remained unchanged, the price level should have fallen more than the 13% recorded.

The Mechanism for Increasing the Supply of Currency

As to the mechanism by which the supply of currency is to be increased, *Business Week* states, p. 30, that "The Fed introduces the growth factor into the money stream in the usual way—by increasing member bank reserves." In other words, we have here not only an untenable quantity theory of money but a further untenable assumption to the effect that a horse can be driven by pushing on the reins. Apparently in an effort to circumvent this latter well-known and well-established fallacy, *Business Week* says, p. 30, that "Both the theoreticians and the Detroit business economists say the annual growth factor will be an active sustainer of business whether businessmen feel like borrowing at the moment, or not."

The Board of Governors of the Federal Reserve System covered that fallacious notion adequately and well, and with its statement endorsed by 66 monetary economists, when it said on March 13, 1939 (*Federal Reserve Bulletin*, April, 1939, pp. 255-259): "The Federal Reserve System can see to it that banks have enough reserves to make money available to commerce, industry, and agriculture at low rates; but it cannot make the commercial banks use these reserves, it cannot make the public spend the deposits that result when the banks do make loans and investments."

The procedure, outlined by *Business Week*, for increasing the supply of currency opens the way to a further and great monetization of Federal debt. Furthermore, no consideration is given to the source and nature of the reserves in Federal Reserve banks necessary to support the proposed increase in the volume of currency.

The Question of Quality versus Quantity of Currency

Though the article in *Business Week* states that "to keep on growing, this economy will need an increasing supply of money" and that "the continuing increase will be at least enough to double the supply of money every 30 years," nothing is said as to the quality of the currency which is to be used to increase the supply just as nothing is said as to the quality of the present supply of currency.

When one embraces a quantity theory of money and ignores quality of the supply of currency involved, he has indeed closed his mind to the readily available lessons as to the sad consequences reaped by those people whose government officials subjected them to a currency program resting upon such a theory. The Knapp State theory of the value of money (Georg Friedrich Knapp, "The State Theory of Money," Macmillan and Co., Ltd., London, 1924, 4th ed.; 1st ed. 1905) and every variety of theory in defense of irredeemable paper money are forms of a quantity theory which stresses the importance of quantity to the exclusion of the element of quality. During and after World War I the German people were given a first-hand lesson as to the fallacies in the State theory of money—that is, that money has the value which the State gives it through regulation of supply. Schacht, under Hitler, provided the German people with a further lesson, in somewhat different form, on the fallacies in the State theory of the value of money. In basic principle the Knapp State theory of money and that outlined in *Business Week* are essentially the same.

When a government stresses quantity, and minimizes or ignores quality of a currency, that government has indeed adopted a dangerous course. Apparently there is none fraught with more evil in the field of money.

An honest and good currency involves a metallic money composed of a metal which has universal acceptability, with all other money redeemable in it at a fixed rate, and with all credit money automatically self-liquidating in nature. The metallic money can grow as the output of the mines increases and as the metal is imported or is returned from industrial uses. Credit can expand as business expands up to the point that endangers redeemability. Within those limits, and recognizing the wide variations in velocity which are possible in the use of a currency and the various devices for economizing in the use of metallic money in the form of clearing houses for credit instruments, productive activity of people should be expected to adjust itself. Falling prices over a relatively long period of time, with an increase in the value of people's savings, might well be a natural and proper consequence of the correct relationship between a nation's currency supply, and the people's use of it, on the one hand, and their productive activity and sale of goods and services, on the other.

The article in *Business Week* does not comprehend such a currency or such an adjustment. That article simply outlines a theory designed to support prices (presumably the price level) at the present level, regardless of the causes or unsoundness of present prices, by pumping more and more currency into circulation with nothing said as to the quality of the currency to be supplied.

As of Sept. 30, 1953, total deposits of all banks and the volume of money outstanding from the issuing authorities amounted to $223,235,000,000. According to the theory outlined in the article, the supply of currency 30 years from now should be at least $446,470,000,000. The simple and correct answer to that contention is that no scientist in the field of money can possibly know what our currency supply should be 30 years from now. But there is one thing he can say with accuracy; it is that the currency will fail to accomplish its proper purpose unless it is a currency of good quality—a basic factor overlooked or ignored in the theory outlined by *Business Week*.

A Single-Corrective Theory for Business Change

Besides the fact that the theory outlined rests upon an untenable quantity theory of money, it also provides a single-corrective theory for business change. The corrective prescribed is the expansion of currency. The state of economic health to be had by this monetary medicine is that which exists under an artificially stabilized price level.

The notion that there is such a thing as a valid single corrective for business change is as unsound as is the contention that a stable price level, which is not the natural result of economic equilibrium, is evidence of a healthy economy. The well-established facts are that economic changes arise from a multitude of causes and that no theory involving a single corrective or cure has validity. Economic health is at its best when the degree of economic equilibrium is at the highest attainable level. Neither currency manipulation nor an artificially stabilized price level produces that desirable state of economic affairs.

Of the single cause and cure theories advanced in respect to economic changes apparently none is more common — particularly among laymen—or ranks lower in degree of validity than those involving manipulation of a nation's currency supply.

The theory outlined in *Business Week* is merely a variation of those which emerged during the 1930's when a great variety of schemes for currency manipulation spread over this nation, and others, like a pestilential blight. Currency manipulation, rather than provision of a sound currency, has been one of mankind's outstanding sins, particularly since 1914. The article in *Business Week* is symptomatic of the efforts of those of the present generation, who have been infected with that variety of thinking, to prolong their indulgence in monetary obsessions.

An Impressive Statement in Opposition to Attempts to Stabilize the Price Level by Currency Manipulation

On March 13, 1939, the Board of Governors of the Federal Reserve System issued a statement, available in the *Federal Reserve Bulletin* of April, 1939, pp. 255-259, in which it said among other things: "Experience has shown . . . that (1) prices cannot be controlled by changes in the amount and cost of money; (2) the Board's control of the amount of money is not complete and cannot be made complete; (3) a steady average of prices does not necessarily result in lasting prosperity; and (4) a steady level of average prices is not nearly as important to the people as a fair relationship between the prices of the commodities they produce and those which they buy."

The statement contains the following additional well-grounded observation: "The Board believes that an order by Congress to the Board or to any other agency of Congress to bring about and maintain a given average of prices would not assist but would hinder efforts to stabilize business conditions. It would hinder, because the price average frequently would indicate a policy that would work against rather than for stability. Such an order would also raise in the public mind hopes and expectations that could not be realized."

On April 10, 1939, 66 monetary economists issued a statement in which they said that "The Board's statement is in harmony with well-established economic principles and with the facts of monetary history."

There is nothing in basic principle in the theory outlined in *Business Week* that is not very old or with which those monetary economists were not well acquainted. If they and the Board were correct in their contentions—and the available evidence readily supports them—then it follows that the theory outlined in *Business Week* is without valid support and is, consequently, fallacious.

The Correct Aim

The proper end to be sought by our United States Government and Federal Reserve authorities is economic equilibrium in which the factors in production and the forces in consumption, exchange, and distribution of income reach the best balance considering the natural resources, intelligence, capital equipment, and government of a nation.

The best means of moving toward economic equilibrium is provided by free and fair competition operating in free markets in terms of an honest and sound currency.

The Confusion and Dangers in the Theory and Program Outlined

To attempt to enforce a stable price level on the theory that it will contribute to economic health is to attempt to convert what should be the result of a healthy economic balance into a causal factor. Such an attempt is analogous to an effort to make an artificially stabilized thermometer control the surrounding temperature. It is in part a case of attempting to convert what is incorrectly held to be a desirable effect into a causal factor.

Such confusion of cause and effect relationships characterizes the monetary-control theory outlined and embraced by *Business Week*. The basic functions of money and credit and the nature and implications of economic equilibrium are misunderstood or overlooked or ignored. The fact that economic maladjustments caused by war, waste, destruction, and currency depreciation call for readjustments, if economic health is to be attained, is not acknowledged nor accepted by the author of that article. The program outlined rests upon the assumption that, regardless of what the maladjustments may be or what their causes may have been, the present price level can and should be maintained by a persistent expansion of currency. Presumably implied in the theory is a notion that any economic maladjustments which may exist can thus be made to disappear.

There is no valid basis for such a theory. There is no evidence to support the notion that our nation could adjust itself soundly or attain a high, or progressively higher, level of economic health by pursuit of such a program.

On the contrary, the evidence is to the effect that the theory and policy outlined point toward further currency manipulation, further monetization of Federal debt, further weakening of our currency structure, further impairment of the value of savings, more and more shots in the arm of the insidious and deadly drug of irredeemable currency, and a progressive degeneracy in the economic well-being of this nation.

Halsey, Stuart Group Offer Utility Bonds

Halsey, Stuart & Co. Inc. and Associates are offering today (Jan. 21) $30,000,000 Ohio Edison Co. first mortgage bonds, 3¼% series of 1954, due Jan. 1, 1984, at 101.93% and accrued interest, to yield 3.15%. Award of the issue was won by the group at competitive sale on Jan. 19 on a bid of 101.34%. The bond offering marks the first public offering of debt securities by the company since May, 1950, when it offered $58,000,000 of bonds in connection with its merger with Ohio Public Service Co.

Ohio Edison Co. currently is also offering 527,830 shares of common stock to its shareholders, which offering was underwritten last week.

Net proceeds from the sale of the bonds, and from the current sale of the 527,830 shares of common stock, will be used by the company for cash requirements for the construction of property additions in 1954 and for other corporate purposes.

The bonds will be redeemable at the option of the company, at regular redemption prices ranging from 105.43% to par, and at special redemption prices ranging from 101.93% to par plus accrued interest in each case.

Ohio Edison Co. is engaged in the generation, purchase, distribution and sale of electricity in 577 communities, as well as in rural areas, in Ohio, and in the sale of electric energy at wholesale to 24 municipalities and seven rural cooperative associations owning their own distribution systems and to two other electric companies in Ohio. The company also supplies steam heat in the downtown business sections of Akron, Youngstown, and Springfield, and incident to its electric business, sell appliances and cooperates with appliance dealers and retailers. Population of the territory served at retail, is estimated at about 1,400,000.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated steel operations (percent of capacity)	Jan. 24	§74.3	*74.3	64.1	99.7
Equivalent to—					
Steel ingots and castings (net tons)	Jan. 24	§1,772,000	1,772,000	1,444,000	2,248,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Jan. 9	6,284,350	6,194,400	6,225,400	6,468,300
Crude runs to stills—daily average (bbls.)	Jan. 9	¶6,960,000	7,202,000	6,915,000	7,117,000
Gasoline output (bbls.)	Jan. 9	24,620,000	25,141,000	24,502,000	23,768,000
Kerosene output (bbls.)	Jan. 9	2,872,000	3,020,000	2,708,000	3,080,000
Distillate fuel oil output (bbls.)	Jan. 9	10,382,000	10,358,000	10,377,000	10,900,000
Residual fuel oil output (bbls.)	Jan. 9	8,599,000	8,805,000	8,100,000	9,350,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Jan. 9	162,343,000	160,075,000	152,509,000	140,741,000
Kerosene (bbls.) at	Jan. 9	28,588,000	29,081,000	33,865,000	26,234,000
Distillate fuel oil (bbls.) at	Jan. 9	106,628,000	113,582,000	126,710,000	94,323,000
Residual fuel oil (bbls.) at	Jan. 9	49,668,000	49,435,000	50,445,000	48,876,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Jan. 9	624,229	477,805	651,951	688,110
Revenue freight received from connections (no. of cars)	Jan. 9	544,544	463,906	609,123	578,531
CIVIL ENGINEERING CONSTRUCTION — ENGINEERING NEWS-RECORD:					
Total U. S. construction	Jan. 14	$195,848,000	$225,873,000	$181,655,000	$548,827,000
Private construction	Jan. 14	89,675,000	78,926,000	107,899,000	382,967,000
Public construction	Jan. 14	106,173,000	146,947,000	73,756,000	165,860,000
State and municipal	Jan. 14	84,366,000	135,292,000	67,071,000	101,414,000
Federal	Jan. 14	21,807,000	11,655,000	6,685,000	64,446,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Jan. 9	8,140,000	*6,790,000	8,390,000	9,600,000
Pennsylvania anthracite (tons)	Jan. 9	534,000	410,000	514,000	667,000
Beehive coke (tons)	Jan. 9	Not avail.	40,900	59,500	110,800
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE = 100	Jan. 9	95	*81	216	89
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Jan. 16	§§9,013,905	8,824,801	8,896,250	8,121,357
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Jan. 14	200	202	210	158
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Jan. 12	4.634c	4.634c	4.634c	4.376c
Pig iron (per gross ton)	Jan. 12	$56.59	$56.59	$56.59	$55.26
Scrap steel (per gross ton)	Jan. 12	$28.83	$29.67	$30.67	$42.00
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Jan. 13	29.700c	29.700c	29.675c	24.200c
Export refinery at	Jan. 13	28.900c	28.650c	28.675c	35.050c
Straits tin (New York) at	Jan. 13	84.500c	85.250c	85.500c	121.500c
Lead (New York) at	Jan. 13	13.500c	13.500c	13.500c	14.000c
Lead (St. Louis) at	Jan. 13	13.300c	13.300c	13.300c	13.800c
Zinc (East St. Louis) at	Jan. 13	10.000c	10.000c	10.000c	13.000c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Jan. 19	97.62	96.97	95.88	96.43
Average corporate	Jan. 19	106.92	106.56	106.21	109.24
Aaa	Jan. 19	112.00	111.44	111.07	114.08
Aa	Jan. 19	109.06	108.52	108.16	112.56
A	Jan. 19	106.74	106.21	105.69	107.62
Baa	Jan. 19	100.65	100.32	100.16	103.13
Railroad Group	Jan. 19	104.66	104.14	103.97	105.17
Public Utilities Group	Jan. 19	107.44	107.09	106.56	109.24
Industrials Group	Jan. 19	108.88	108.34	108.16	113.50
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Jan. 19	2.67	2.71	2.77	2.80
Average corporate	Jan. 19	3.34	3.36	3.38	3.23
Aaa	Jan. 19	3.06	3.09	3.12	3.03
Aa	Jan. 19	3.22	3.25	3.28	3.10
A	Jan. 19	3.35	3.38	3.40	3.25
Baa	Jan. 19	3.71	3.73	3.73	3.52
Railroad Group	Jan. 19	3.47	3.50	3.52	3.37
Public Utilities Group	Jan. 19	3.31	3.33	3.36	3.24
Industrials Group	Jan. 19	3.23	3.26	3.28	3.07
MOODY'S COMMODITY INDEX	Jan. 19	417.8	418.9	406.2	406.7
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Jan. 9	†230,479	**185,853	212,109	‡295,157
Production (tons)	Jan. 9	†212,013	**103,430	246,855	‡260,644
Percentage of activity	Jan. 9	†78	**43	94	‡83
Unfilled orders (tons) at end of period	Jan. 9	†414,047	**392,425	402,833	‡512,208
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE = 100	Jan. 15	107.52	107.47	107.48	108.63
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION:					
Odd-lot sales by dealers (customers' purchases)—					
Number of orders	Jan. 2	25,360	19,289	25,663	26,709
Number of shares	Jan. 2	752,352	580,262	766,716	758,703
Dollar value	Jan. 2	$29,001,891	$23,617,381	$33,504,920	$33,201,396
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Jan. 2	27,941	22,880	28,300	25,868
Customers' short sales	Jan. 2	244	141	164	85
Customers' other sales	Jan. 2	27,697	22,739	28,136	25,783
Number of shares—Total sales	Jan. 2	869,608	701,514	813,387	734,213
Customers' short sales	Jan. 2	6,368	4,570	5,249	2,568
Customers' other sales	Jan. 2	863,240	696,944	808,138	731,645
Dollar value	Jan. 2	$27,244,610	$25,251,188	$30,706,080	$26,981,457
Round-lot sales by dealers—					
Number of shares—Total sales	Jan. 2	330,230	285,260	287,390	234,940
Short sales	Jan. 2	------	------	------	------
Other sales	Jan. 2	330,230	285,260	287,390	234,940
Round-lot purchases by dealers—					
Number of shares	Jan. 2	201,400	149,610	241,010	241,260
TOTAL ROUND-LOT STOCK SALES ON THE NEW YORK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total Round-lot sales—					
Short sales	Dec. 26	171,520	231,280	268,230	197,020
Other sales	Dec. 26	6,419,510	8,095,420	6,140,050	7,223,140
Total sales	Dec. 26	6,591,030	8,326,700	6,408,280	7,420,160
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS:					
Transactions of specialists in stocks in which registered—					
Total purchases	Dec. 26	614,700	791,560	632,900	744,490
Short sales	Dec. 26	87,620	127,930	116,330	105,060
Other sales	Dec. 26	458,860	633,540	464,670	611,870
Total sales	Dec. 26	546,480	761,470	581,000	716,930
Other transactions initiated on the floor—					
Total purchases	Dec. 26	156,400	212,380	178,990	184,500
Short sales	Dec. 26	2,500	7,900	7,000	15,200
Other sales	Dec. 26	131,870	151,790	126,910	175,140
Total sales	Dec. 26	134,370	159,690	133,910	190,340
Other transactions initiated off the floor—					
Total purchases	Dec. 26	337,730	314,430	237,200	299,550
Short sales	Dec. 26	26,040	22,670	31,270	28,420
Other sales	Dec. 26	215,811	228,750	202,783	268,843
Total sales	Dec. 26	241,851	251,420	234,053	297,263
Total round-lot transactions for account of members—					
Total purchases	Dec. 26	1,108,830	1,318,370	1,049,090	1,228,540
Short sales	Dec. 26	116,160	158,500	154,600	148,680
Other sales	Dec. 26	806,541	1,014,080	794,363	1,055,853
Total sales	Dec. 26	922,701	1,172,580	748,963	1,204,533
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49 = 100):					
Commodity Group—					
All commodities	Jan. 12	110.9	110.4	110.1	109.8
Farm products	Jan. 12	98.5	95.9	94.7	100.7
Processed foods	Jan. 12	106.1	105.2	104.9	104.4
Meats	Jan. 12	95.4	91.4	88.2	99.3
All commodities other than farm and foods	Jan. 12	114.5	114.5	114.5	112.8

*Revised figure. ¶Includes 535,000 barrels of foreign crude runs. †Nine days ended Jan. 9, 1954. §Based on new annual capacity of 124,330,410 tons as of Jan. 1, 1954, as against the Jan. 1, 1953 basis of 117,547,470 tons. ‡Ten days ended Jan. 10, 1952. **Five days ended Dec. 31, 1953. ¶¶Record high figure.

	Latest Month	Previous Month	Year Ago
BUILDING CONSTRUCTION—U. S. DEPT. OF LABOR—Month of December (in millions):			
Total new construction	$2,661	$2,988	$2,550
Private construction	1,908	2,052	1,795
Residential building (nonfarm)	952	1,024	942
New dwelling units	850	905	850
Additions and alterations	78	94	74
Nonhousekeeping	24	25	18
Nonresidential building (nonfarm)	505	523	433
Industrial	176	177	193
Commercial	182	192	112
Warehouses, office and loft buildings	79	79	50
Stores, restaurants, and garages	103	113	62
Other nonresidential building	147	154	128
Religious	45	46	37
Educational	39	41	33
Social and recreational	17	17	11
Hospital and institutional	26	26	28
Miscellaneous	20	24	19
Farm construction	88	100	97
Public utilities	354	396	314
Railroad	44	45	43
Telephone and telegraph	47	50	45
Other public utilities	263	301	226
All other private	9	9	9
Public construction	753	936	755
Residential building	39	42	49
Nonresidential building	336	355	342
Industrial	123	131	142
Educational	155	158	134
Hospital and institutional	21	24	36
Other nonresidential building	37	42	30
Military and naval facilities	92	101	111
Highways	145	280	112
Sewer and water	63	67	56
Miscellaneous public service enterprises	13	18	13
Conservation and development	56	63	67
All other public	9	10	5
COTTON AND LINTERS — DEPT. OF COMMERCE—RUNNING BALES:			
Lint—Consumed month of November	684,990	972,128	754,987
In consuming establishments as of Nov. 28	1,586,062	1,506,192	1,466,238
In public storage as of Nov. 28	11,219,555	9,406,484	7,463,996
Linters—Consumed month of November	110,888	123,614	108,856
Stocks Nov. 28	1,260,789	1,156,487	852,476
Cotton spindles active as of Nov. 28	19,990,000	19,953,000	20,178,000
COTTON SEED AND COTTON SEED PRODUCTS—DEPT. OF COMMERCE—Month of November—			
Cotton Seed—			
Received at mills (tons)	1,386,511	1,860,394	1,097,259
Crushed (tons)	763,154	777,892	719,410
Stocks (tons) November 30	2,769,505	2,146,148	2,387,760
Crude Oil—			
Stocks (pounds) November 30	143,804,000	134,001,000	188,505,000
Produced (pounds)	249,924,000	251,701,000	231,827,000
Shipped (pounds)	237,277,000	192,514,000	203,197,000
Refined Oil—			
Stocks (pounds) November 30	1,016,037,000	*966,498,000	445,493,000
Produced (pounds)	221,226,000	179,751,000	190,061,000
Consumption (pounds)	151,011,000	133,253,000	66,397,000
Cake and Meal—			
Stocks (tons) November 30	163,022	163,838	144,420
Produced (tons)	361,549	371,321	348,802
Shipped (tons)	362,365	320,170	319,496
Hulls—			
Stocks (tons) November 30	52,827	51,795	52,154
Produced (tons)	167,891	166,229	154,926
Shipped (tons)	166,859	161,596	152,086
Linters (running bales)—			
Stocks November 30	194,068	157,822	279,398
Produced	239,802	246,647	233,475
Shipped	203,556	186,833	186,132
Hull Fiber (1,000-lb. bales)—			
Stocks November 30	1,097	1,220	1,718
Produced	1,785	2,322	2,402
Shipped	1,908	2,002	2,302
Motes, Grabbots, etc. (1,000 pounds)—			
Stocks November 30	7,226	6,197	8,843
Produced	3,479	3,831	4,697
Shipped	2,450	2,149	2,535
COTTON SPINNING (DEPT. OF COMMERCE):			
Spinning spindles in place on Nov. 28	22,930,000	22,906,000	21,583,000
Spinning spindles active on Nov. 28	19,990,000	19,953,000	20,180,000
Active spindle hours (000's omitted) Nov.	8,719,000	11,192,000	9,219,000
Active spindle hours per spindle in place Nov.	447.1	452.2	506.0
MOODY'S WEIGHTED AVERAGE YIELD OF 200 COMMON STOCKS—Month of Dec.:			
Industrial (125)	5.54	5.53	5.14
Railroad (25)	7.43	7.05	5.56
Utilities (not includ. Amer. Tel & Tel.) (24)	5.28	5.26	5.07
Banks (15)	4.61	4.28	4.18
Insurance (10)	3.26	3.32	2.99
Average (200)	5.55	5.53	5.13
REAL ESTATE FINANCING IN NONFARM AREAS OF U. S. — HOME LOAN BANK BOARD—Month of October (000's omitted):			
Savings and loan associations	$658,417	$654,132	$627,343
Insurance companies	123,233	124,654	134,920
Bank and trust companies	319,874	314,863	342,393
Mutual Savings banks	122,674	123,244	117,286
Individuals	251,176	241,897	253,100
Miscellaneous lending institutions	270,467	269,718	252,301
Total	$1,745,841	$1,728,508	$1,727,343
UNITED STATES GROSS DEBT DIRECT AND GUARANTEED—(000's omitted):			
As of December 31	$275,243,758	$275,282,380	$267,445,125
General fund balance	4,576,528	5,922,862	6,064,343
Net debt	$270,667,230	$269,359,518	$261,380,782
Computed annual rate	2.414%	2.424%	2.353%
U. S. GOVT. STATUTORY DEBT LIMITATION—As of Dec. 31 (000's omitted):			
Total face amount that may be outstanding at any time	$275,000,000	$275,000,000	$275,000,000
Outstanding—			
Total gross public debt	275,168,120	275,208,583	267,391,155
Guaranteed obligations not owned by the Treasury	75,638	73,796	53,969
Total gross public debt and guaranteed obligations	$275,243,758	$275,282,380	$267,445,125
Deduct—other outstanding public debt obligations not subject to debt limitation	572,857	575,452	623,859
Grand total outstanding	$274,670,901	$274,706,927	$266,821,266
Balance face amount of obligations, issuable under above authority	329,098	293,072	8,178,733

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
• ITEMS REVISED

A & B Commercial Finishing Co., Inc.
Dec. 18 (letter of notification) 120,000 shares of class A common stock. **Price**—At par ($1 per share). **Proceeds**—For equipment and working capital. **Office**—728 South Wheeling, Tulsa, Okla. **Underwriter**—White & Co., Tulsa, Okla., and St. Louis, Mo. **Offering**—Expected in Oklahoma only.

Amalgamated Growth Industries, Inc.
Sept. 28 (letter of notification) 149,999 shares of common stock (par 10 cents). **Price**—$2 per share. **Proceeds**—For acquisition of patents, etc., and for new equipment and working capital. **Office**—11 West 42nd St., New York City. **Underwriter**—R. A. Keppler & Co., Inc., New York, N. Y.

American Diamond Mining Corp.
Dec. 8 (letter of notification) 260,000 shares of common stock (par $1). **Price**—$1.15 per share. **Proceeds**—To explore and develop the Murfreesboro, Pike County, Ark., property and for general corporate purposes. **Office**—39 Wall St., New York 5, N. Y. **Underwriter**—Samuel W. Gordon & Co., Inc., New York, N. Y.

Armstrong Rubber Co.
Nov. 27 (letter of notification) 1,000 shares of class A common stock (no par). **Price**—$21 per share. **Proceeds**—To James A. Walsh, the selling stockholder. **Underwriter**—Gruntal & Co., New Haven, Conn.

★ Atomic Development Mutual Fund, Inc., Washington, D. C.
Jan. 14 filed 900,000 shares of its capital stock. **Price**—At market. **Proceeds**—For investment. **Underwriter**—None.

★ Augusta Chemical Co., Augusta, Ga.
Jan. 11 (letter of notification) 10,000 shares of common stock (par $1). **Price**—At market (estimated at $3.25 to $3.75, but in no event less than $2.75 per share). **Proceeds**—To Beech Chemicals, Inc., 60 Park Place, Newark, N. J. **Underwriter**—Not named.

Automobile Banking Corp. (1/25-29)
Dec. 28 filed 61,000 shares of series B 6% cumulative convertible preferred stock. **Price** — At par ($10 per share). **Proceeds**—To increase working capital. **Underwriters** — Bioren & Co. and H. G. Kuch & Co., both of Philadelphia, Pa.

• Aztec Oil & Gas Co., Dallas, Tex.
Dec. 14 filed 2,017,801 shares of common stock (par $1) being offered for subscription by common stockholders of Southern Union Gas Co. of record Dec. 28, 1953 on the basis of one share of Aztec for each Southern Union common share held; rights to expire on Feb. 8. **Price**—$3.83 per share. **Proceeds**—To acquire equipment and property, for drilling wells and for working capital. **Underwriter**—None.

Bank Shares, Inc., Minneapolis, Minn.
Jan. 4 (letter of notification) 15,000 shares of class A stock. **Price**—At par ($20 per share). **Proceeds**—To acquire shares of capital stock of The Marquette National Bank and the Chicago-Lake State Bank. **Underwriter**—M. H. Bishop & Co., Minneapolis, Minn.

Basin Natural Gas Corp., Santa Fe, N. M.
Dec. 23 (letter of notification) 748,000 shares of common stock (par five cents). **Price**—40 cents per share. **Proceeds**—To acquire properties and leases. **Office** — Blatt Bldg., Santa Fe, N. M. **Underwriter**—Hunter Securities Corp., New York.

★ Black Hills Power & Light Co., Rapid City, S. D.
Jan. 12 (letter of notification) 14,100 shares of common stock (par $1) to be offered for subscription by common stockholders through warrants which expire on Feb. 15. **Proceeds**—For new construction and improvements. **Underwriter**—None.

• Blaske Lines, Inc., Alton, Ill. (1/25-29)
Jan. 7 (letter of notification) 65,990 shares of common stock (par $2), to be first offered for subscription by stockholders; then to public. **Price**—$2.62½ per share. **Proceeds**—For down payment on purchase of six new barges. **Office**—210 William St., Alton, Ill. **Underwriter**—G. H. Walker & Co., St. Louis, Mo.

★ Budget Plan Corp., Haddonfield, N. J. (2/1)
Jan. 13 (letter of notification) 20,000 shares of class A common stock (par $1). **Price**—$5 per share. **Proceeds**—To establish additional offices and for working capital. **Office** — 101 Kings Highway East, Haddonfield, N. J. **Underwriter** — Rambo, Close & Kerner, Inc., Philadelphia, Pa.

★ Buensod-Stacey, Inc.
Jan. 13 (letter of notification) not exceeding 2,330 shares of class B common stock to be offered to employees. **Price**—At par ($20 per share). **Proceeds**—To liquidate certain indebtedness and for working capital. **Office**—60 East 42nd St., New York 17, N. Y. **Underwriter**—None.

★ Buzzards Bay Gas Co., Hyannis, Mass.
Jan. 13 (letter of notification) 4,000 shares of 6% cumulative preferred stock. **Price**—At par ($25 per share). **Proceeds**—To repay bank loan. **Underwriter**—Coffin & Burr, Inc., Boston, Mass.

★ California Water & Telephone Co. (2/2)
Jan. 14 filed 120,000 shares of $1.32 cumulative convertible preferred stock (par $25). **Price**—To be supplied by amendment. **Proceeds**—To repay bank loans and for construction program. **Underwriter**—Blyth & Co., Inc., New York and San Francisco.

• Chemical Enterprises, Inc., New York
Dec. 21 filed 350,000 shares of common stock (par 25 cents). **Price**—To be supplied by amendment (probably around $10 per share). **Proceeds**—To repay bank loan, to acquire capital stock of nine Louisiana companies and to expand their ammonia storage and distributing facilities. **Underwriter**—Lee Higginson Corp., New York. Statement has been withdrawn.

Cherokee Industries, Inc., Oklahoma City, Okla.
Dec. 3 filed 5,000,000 shares of class B non-voting common stock (par one cent). **Price**—$1 per share. **Proceeds**—To construct mill. **Underwriter**—None.

★ Clayton Mines, Inc., Orlando, Fla.
Jan. 11 (letter of notification) 299,000 shares of class B common stock. **Price**—At par ($1 per share). **Proceeds**—For equipment, working capital and general corporate purposes. **Office**—1800 Atlanta Avenue, Orlando, Fla. **Underwriter**—First Florida Investors Inc., 19 S. Court Street, Orlando, Fla.

Colorado Oil & Gas Corp., Denver, Colo. (1/26)
Jan. 5 filed 1,000,000 shares of common stock (par $3). **Price**—To be supplied by amendment. **Proceeds**—To retire $500,000 5% 3-year notes due Sept. 21, 1956, and to acquire and develop oil and gas properties. **Underwriter**—Union Securities Corp., New York.

Commonwealth Edison Co. and Northern Illinois Gas Co. (1/27)
Jan. 7 filed $60,000,000 of Commonwealth Edison Co. "gas divisional lien bonds due Jan. 1, 1979" which bonds will become Northern Illinois Gas Co. first mortgage bonds due Jan. 1, 1979. **Price**—To be supplied by amendment. **Proceeds**—To pay Commonwealth Edison Co. for acquisition of gas and heating properties by Northern Illinois Gas Co. **Underwriters**—The First Boston Corp., New York; Halsey, Stuart & Co. Inc., Chicago and New York; and Glore, Forgan & Co., Chicago and New York.

★ Composite Fund, Inc., Spokane, Wash.
Jan. 14 filed 200,000 shares of capital stock. **Price**—At market. **Proceeds**—For investment. **Underwriter**—None.

Consumers Power Co., Jackson, Mich.
Dec. 3 filed 679,436 shares of common stock (no par) being offered for subscription by common stockholders of record Jan. 7, 1954 on the basis of one new share for each 10 shares held; rights to expire on Jan. 22. Unsubscribed shares will be offered first to employees. **Price**—$36.75 per share. **Proceeds**—For construction program. **Underwriters**—Harriman Ripley & Co., Inc. and The First Boston Corp. (jointly).

• CorpAmerica, Inc., Wilmington, Del.
Dec. 29 (letter of notification) 20,000 shares of class A non-voting common stock (par $10), of which 7,819 shares are being offered to class A stockholders of record Jan. 8 on basis of seven new shares for each 10 shares held; rights to expire Feb. 3. The unsold balance, plus 12,181 shares are offered to public. **Price**—To stockholders, $14 per share; to public, $15 per share. **Proceeds**—For working capital. **Office**—1901 W. Fourth Street, Wilmington, Del. **Underwriter**—Laird, Bissell & Meeds, Wilmington, Del.

Danielson Manufacturing Co.
Dec. 24 (letter of notification) 10,704 shares of class A preferred stock (par $5) to be offered for subscription by stockholders. **Price**—$9.50 per share. **Proceeds**—For working capital. **Underwriter**—Coburn & Middlebrook, Inc., Hartford, Conn.

NEW ISSUE CALENDAR

January 25 (Monday)
Automobile Banking Corp. — Preferred
(Bioren & Co. and H. G. Kuch & Co.) $610,000
Blaske Lines, Inc. — Common
(G. H. Walker & Co.) $173,223
Otter Tail Power Co. — Debentures
(Blyth & Co., Inc.) $2,500,000

January 26 (Tuesday)
Colorado Oil & Gas Co. — Common
(Union Securities Corp.) 1,000,000 shares

January 27 (Wednesday)
Commonwealth Edison Co. — Bonds
(The First Boston Corp.; Halsey, Stuart & Co. Inc.; and Glore, Forgan & Co.) $60,000,000
Northern Illinois Gas Co. — Bonds
(The First Boston Corp.; Halsey, Stuart & Co. Inc.; and Glore, Forgan & Co.) $60,000,000

January 28 (Thursday)
Ritter Finance Co., Inc. — Debentures
(Stroud & Co., Inc.) $1,000,000
Southern Pacific Co. — Equip. Trust Ctfs.
(Bids noon EST) $9,660,000

February 1 (Monday)
Budget Plan Corp. — Class A Common
(Rambo, Close & Kerner, Inc.) $100,000
Gulf Sulphur Corp. — Preferred
(Peter Morgan & Co.) $7,000,000

February 2 (Tuesday)
California Water & Telephone Co. — Preferred
(Blyth & Co., Inc.) $4,000,000
Mississippi Power & Light Co. — Preferred
(Bids noon EST) $6,000,000
N. Y., Chicago & St. Louis RR. — Equip. Tr. Ctfs.
(Bids noon EST) $2,970,000
Southwestern Public Service Co. — Common
(Offering to stockholders—underwritten by Dillon, Read & Co. Inc.) 272,500 shares

February 3 (Wednesday)
Pennsylvania RR. — Equip. Trust Ctfs.
(Bids noon EST) $5,300,000
Puerto Rico (Commonwealth of) — Bonds
(Bids to be invited) $10,000,000

February 8 (Monday)
Louisville & Nashville RR. — Equip. Trust Ctfs.
(Bids noon EST) $1,995,000
Public Service Co. of Oklahoma — Bonds
(Bids to be invited) $12,500,000
Southwestern States Telephone Co. — Common
(Central Republic Co. Inc.) 100,000 shares
Wagner Electric Corp. — Common
(G. H. Walker & Co.) 150,000 shares

February 10 (Wednesday)
Mystic Valley Gas Co. — Bonds
(Bids noon EST) $5,500,000

February 16 (Tuesday)
Louisville Gas & Electric Co. — Bonds
(Bids to be invited) $12,000,000
Pacific Gas & Electric Co. — Bonds
(Bids to be invited) $60,000,000

February 17 (Wednesday)
Essex County Electric Co. — Bonds
(Bids noon EST) $5,000,000

February 25 (Thursday)
Pittsburgh & West Virginia Ry. — Bonds
(Bids to be invited) $7,500,000

March 3 (Wednesday)
Suburban Electric Co. — Bonds
(Bids to be invited) $4,000,000

March 16 (Tuesday)
Alabama Power Co. — Bonds
(Bids to be invited) $17,000,000
National Union Fire Insurance Co. — Common
(The First Boston Corp.) $6,000,000

April 6 (Tuesday)
Georgia Power Co. — Bonds
(Bids to be invited) $11,000,000

May 14 (Friday)
First Nat'l Bank of Toms River, N. J. — Common
(Offering to stockholders) $150,000

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● Decca Records, Inc.
Dec. 22 filed 145,842 shares of capital stock (par 50 cents) being issued only in exchange for shares of Universal Pictures Co., Inc. common stock (par $1) on the basis of two Decca shares for each Universal share. The exchange offer will expire on Feb. 8, subject to the right of the directors to extend the offer to not later than Feb. 23.

● Detroit Edison Co.
Dec. 10 filed $43,358,000 3¼% convertible debentures due Feb. 1, 1969 being offered for subscription by stockholders of record Jan. 6, 1954, on the basis of $100 of debentures for each 25 shares of stock held; rights to expire on Feb. 1, 1954. **Price**—At par (flat). **Proceeds**—To repay bank loans and for new construction. **Underwriter**—None.

● Douglas Oil Co. of California
Dec. 28 (letter of notification) 14,200 shares of common stock (par $1). **Price**—At market. **Proceeds**—To Woodrow G. Krieger, President of company. **Underwriter**—Shearson, Hammill & Co., Los Angeles, Calif. Offering subsequently cancelled.

★ E-I Mutual Association, West Orange, N. J.
Jan. 13 (letter of notification 3,500 shares of class B special stock, 1954 series, to be offered for subscription by employees of Thomas A. Edison, Inc. **Price**—$10 per share. **Proceeds** — To be held in a redemption fund. **Office**—180 Main St., West Orange, N. J. **Underwriter**—None.

★ Essex County Electric Co., Salem, Mass. (2/17)
Jan. 18 filed $5,000,000 of first mortgage bonds, series A, due Feb. 1, 1984. **Proceeds**—To repay short-term indebtedness and balance, if any, for construction. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Beane and Union Securities Corp. (jointly). **Bids**—Expected to be received up to noon (EST) on or about Feb. 17, 1954.

Federal Pipe & Foundry Co. (N. J.)
Nov. 16 (letter of notification) 39,000 shares of common stock (par 25 cents). **Price**—$1 per share. **Proceeds**—For purchase of land and machinery, to erect buildings and for working capital. **Underwriter**—A. Kalb & Co., 325 Market St., Trenton, N. J.

● Fire Association of Philadelphia (Pa.)
Dec. 11 filed 340,000 shares of capital stock (par $10) being offered for subscription by stockholders of record Jan. 18 on the basis of one new share for each share held; rights to expire on Feb. 17. **Price**—$22.50 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—None, but The First Boston Corp., New York, will act as advisors to the company.

Florida Telephone Corp., Ocala, Fla.
Dec. 30 (letter of notification) 24,975 shares of common stock (par $10) to be offered first for subscription by common stockholders. **Price**—$10.75 per share to stockholders, and $12 per share to public. **Proceeds**—For new construction, etc. **Underwriter**—None.

Florida Western Oil Co.
Nov. 6 (letter of notification) 250,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—For drilling test well. **Office**—803 N. Calhoun St., Tallahassee, Fla. **Underwriter** — Floyd D. Cerf, Jr., Co., Inc., Miami, Fla.

General Hydrocarbons Corp.
Aug. 12 filed $1,010,800 of 20-year debentures and 66,424 shares of common stock (par $1) to be offered in units of $350 principal amount of debentures and 23 shares of stock. Price—$359 per unit ($336 for the debentures and $1 per share for the stock). Proceeds—For general corporate purposes. Business — Oil and gas development. Underwriter—None. Office—Oklahoma City, Okla.

Guardian Chemical Corp.
Nov. 30 (letter of notification) 52,500 shares of common stock (par 10 cents) to be issued to warrant holders. **Price**—$2.37½ per share. **Proceeds**—To selling stockholders. **Office**—10-15 43rd Ave., Long Island City, N. Y. **Underwriter**—Batkin & Co., New York.

● Gulf Sulphur Corp. (2/1-3)
Oct. 27 filed 700,000 shares of 60-cent non-cumulative convertible preferred and participating stock (par 10 cents. **Price**—$10 per share. **Proceeds**—To develop company concessions. **Underwriter**—Peter Morgan & Co., New York.

● Harris-Seybold Co., Cleveland, Ohio
Dec. 30 filed 49,605 shares of common stock (par $1) being offered for subscription by common stockholders of record Jan. 19, 1954, on the basis of one new share for each seven shares held; rights to expire on Feb. 1, 1954. **Price** — $31 per share. **Proceeds** — To reimburse company's treasury for its investment in C. B. Cottrell & Sons Co., and for general corporate purposes. **Underwriter**—McDonald & Co., Cleveland, O.

King Oil Co., Salt Lake City, Utah
Dec. 28 (letter of notification) 800,000 shares of capital stock. **Price**—25 cents per share. **Proceeds**—For drilling expenses. **Office**—28 West Second South, Salt Lake City, Utah. **Underwriter**—None.

★ Louisville (Ky.) Gas & Electric Co. (2/16)
Jan. 15 filed $12,000,000 first mortgage bonds, due Feb. 1, 1984. **Proceeds**—For property additions and improvements. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; Lehman Brothers and Blyth & Co., Inc. (jointly); Glore, Forgan & Co.; Kuhn, Loeb & Co.; The First Boston Corp.; Harriman Ripley & Co., Inc. **Bids**—Tentatively expected to be received on Feb. 16.

Medina Oil Corp., Orlean, N. Y.
Dec. 9 (letter of notification) 2,800 shares of common stock. **Price**—At par ($100 per share). **Proceeds**—To purchase drill rig, etc. **Office** — 10 East Corydon St., Bradford, Pa. **Underwriter** — Winner & Myers, Lock Haven, Pa.

Merritt-Chapman & Scott Corp., New York
Dec. 31 filed 513,594 shares of common stock (par $12.50) to be offered in exchange for 1,078,546.25 shares of authorized and issued common stock (par $1) of Newport Steel Corp. at rate of one share of Merritt-Chapman stock for each 2.1 shares of Newport stock. **Underwriter**—None.

Mississippi Chemical Corp., Yazoo City, Miss.
Jan. 5 filed 26,666 shares of special common stock (par $75—limited dividend) and $1,500,000 of certificates of participation (to be sold in multiples of $75—5% interest). **Proceeds**—From sale of these securities, together with bank borrowings, are to be used for expansion of facilities. **Underwriter**—None. Sales will be handled by company employees.

Mississippi Power & Light Co. (2/2)
Jan. 7 filed 60,000 shares of cumulative preferred stock (par $100). **Proceeds**—For additions and improvements. **Underwriters**—To be determined by competitive bidding. Probable bidders: Union Securities Corp.; Lehman Brothers; W. C. Langley & Co. and The First Boston Corp. (jointly); Blyth & Co., Inc., Equitable Securities Corp., Shields & Co., White, Weld & Co. and Kidder, Peabody & Co. (jointly). **Bids**—Tentatively expected to be received up to noon (EST) on Feb. 2.

★ Missouri Public Service Co.
Jan. 14 filed 527,865 shares of common stock (no par) to be offered for subscription by common stockholders on a share-for-share basis. **Price** — To be supplied by amendment. **Proceeds**—Together with other funds, to acquire capital stock of Gas Service Co. (a subsidiary of Cities Service Co.). **Underwriter**—Kidder, Peabody & Co., New York.

Mystic Valley Gas Co. (2/10)
Jan. 12 filed $5,500,000 first mortgage bonds, series A, due 1974. **Proceeds**—To pay an equal amount of outstanding promissory notes. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; Lehman Brothers; Merrill Lynch, Pierce, Fenner & Beane and Union Securities Corp. (jointly). **Bids**—Tentatively expected to be received up to noon (EST) on or about Feb. 10.

New Bristol Oils, Ltd., Toronto, Ont., Canada
Dec. 18 filed 1,000,000 shares of common stock (par $1). **Price**—To be related to the bid price of the shares on the Toronto Stock Exchange, with a 20% underwriting commission. **Proceeds**—For general corporate purposes. **Underwriter**—To be named by amendment.

New England Gas & Electric Association
Dec. 10 filed 32,126 common shares of beneficial interest (par $8) being offered in exchange for common stock of New Bedford Gas & Edison Light Co. held by minority stockholders on the basis of 4¾ New England shares for each New Bedford share held. The offer will expire on Feb. 23. **Financial Advisor**—The First Boston Corp., New York.

Northern Illinois Gas Co. (1/27)
See Commonwealth Edison Co. above.

● Northern Indiana Public Service Co.
Jan. 5 filed 315,961 shares of common stock (no par) to be offered for subscription by stockholders of record Jan. 8 at rate of one new share for each ten shares then held; rights to expire about Feb. 3. **Price** — $26.25 per share. **Proceeds** — For construction program. **Underwriters**—Central Republic Co., Inc., Chicago, Ill., and Blyth & Co., Inc. and Merrill Lynch, Pierce, Fenner & Beane of New York. **Offering**—Expected today (Jan. 21).

● Ohio Edison Co.
Dec. 10 filed 527,830 shares of common stock (par $12) being offered for subscription by common stockholders of record Jan. 14, 1954 on the basis of one new share for each 10 shares held (with an oversubscription privilege); rights will expire on Jan. 29, 1954. **Price** — $35.75 per share. **Proceeds** — For construction program. **Underwriters**—White, Weld & Co., New York.

Otter Tail Power Co., Fergus Falls, Minn. (1/25)
Dec. 28 filed $2,500,000 of 4¼% convertible debentures due Jan. 1, 1964, to be offered for subscription by common stockholders of record Jan. 22, 1954, on the basis of $100 of debentures for each 25 shares of stock then held rights to expire on Feb. 8. **Price**—100% of principal amount. **Proceeds**—To retire bank loans and for capital expenditures. **Underwriter**—Blyth & Co., Inc., New York and San Francisco.

★ Pacific Gas & Electric Co. (2/16)
Jan. 19 filed $60,000,000 first and refunding mortgage bonds, series W, dated Dec. 1, 1953 and due Dec. 1, 1984. **Proceeds**—For construction program. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; The First Boston Corp. **Bids**—Expected to be received on Feb. 16.

● Perfecting Service Co., Charlotte, N. C.
Dec. 28 (letter of notification) 15,001 shares of common stock being offered Jan. 20 for subscription by present stockholders (with a 15-day standby). **Price**—At par ($10 per share). **Proceeds**—For working capital and general corporate purposes. **Office**—332 Atando Avenue, Charlotte, N. C. **Underwriter**—R. S. Dickson & Co., Charlotte, N. C., for up to a maximum of 8,001 shares.

★ Philip Morris & Co., Ltd., Inc., New York
Jan. 13 filed 444,325 shares of common stock (par $5) to be offered in exchange for common shares of Benson & Hedges, on a share-for-share basis. Offer is subject to acceptance by holders of not less than 355,460 shares of Benson & Hedges stock, and will expire on March 1, unless extended. **Underwriter**—None.

★ Public Service Co. of Oklahoma (2/8)
Jan. 18 filed $12,500,000 of first mortgage bonds, series E, due Feb. 1, 1984. **Proceeds**—For additions and improvements. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; Salomon Bros. & Hutzler; The First Boston Corp.; White, Weld & Co. and Shields & Co. (jointly); Lehman Brothers; Blyth & Co., Inc., Kidder, Peabody & Co. and Stone & Webster Securities Corp. (jointly). **Bids**—Expected on or about Feb. 8.

★ Rescue Mining Co., Warren, Ida.
Jan. 13 (letter of notification) 1,200,000 shares of common stock. **Price**—At par (25 cents per share). **Proceeds**—For development. **Underwriter**—Abraham Ralph Sax, Hotel Boise, Boise, Idaho.

● Ritter Finance Co., Inc. (Pa.) (1/28)
Dec. 24 filed $1,000,000 of 5½% debentures due 1966, and 12-year warrants to purchase 100,000 shares of class B common stock, to be offered in units of one $1,000 debenture and a warrant to purchase 100 shares; and 2,099 shares of 5½% cumulative preferred stock (par $50) and 20,990 shares of class B common stock (par $1) to be offered in units of one share of preferred and 10 shares of class B common stock. **Price**—For units of debentures and warrants, $1,000 per unit, plus accrued interest, and for units of preferred and class B stock, $65 per unit, plus accrued dividends. **Proceeds**—For working capital and other corporate purposes. **Underwriter**—For debentures and warrants, Stroud & Co., Inc., Philadelphia, Pa. For stock units, none. **Offering**—Expected the week of Jan. 18 or 25.

Southwestern Public Service Co. (2/2)
Jan. 12 filed 272,500 shares of common stock (par $1) to be offered for subscription by common stockholders of record Feb. 1 at the rate of one new share for each 14 shares held; rights to expire about Feb. 16. **Price**—To be supplied by amendment. **Proceeds**—To repay bank loans and for property additions and improvements. **Underwriter**—Dillon, Read & Co. Inc., New York.

Snoose Mining Co., Hailey, Idaho
Oct. 30 (letter of notification) 1,000,000 shares of common stock. **Price**—At par (25 cents per share). **Proceeds**—For machinery and equipment. **Underwriter**—E. W. McRoberts & Co., Twin Falls, Idaho.

Stone Corp. of America, Inc.
Jan. 7 (letter of notification) 99,000 shares of common stock (par 20 cents). **Price**—$3 per share. **Proceeds**—For working capital, etc. **Business**—Manufactures artificial compound which simulates stone under trade name "Pura-Tex Stone." **Office** — 705 Arnold Ave., Point Pleasant, N. J. **Underwriter**—None.

Theatre 200, Inc., N. Y. City
Dec. 10 filed 5,000 shares of preferred stock (no par) and 15,000 shares of common stock (par one cent) to be offered in units of 25 shares of preferred and 75 shares of common stock. **Price**—$2,500 per unit. **Proceeds**—For working capital, etc. **Underwriter**—None.

Three States Uranium Corp.
Nov. 13 (letter of notification) 2,000,000 shares of common stock (par one cent). **Price**—15 cents per share. **Proceeds** — For drilling, surveys and working capital. **Office**—354 Main St., Grand Junction, Colo. **Underwriter**—Tellier & Co., Jersey City, N. J. **Offering**—Not expected until late in February, 1954.

Trion, Inc., McKees Rocks, Pa.
Jan. 4 (letter of notification) 23,650 shares of common stock (par 50 cents). **Price**—$4 per share. **Proceeds**—To three selling stockholders. **Business**—Manufactures and sells electric air filters. **Underwriter**—Reed, Lear & Co., Pittsburgh 19, Pa.

United Merchants & Manufacturers, Inc.
Oct. 7 filed 574,321 shares of common stock (par $1). **Price**—At the market (either on the New York Stock Exchange or through secondary distributions). **Proceeds**—To a group of selling stockholders who will receive the said shares in exchange for outstanding preferred and common stock of A. D. Juilliard & Co., Inc., on the basis of 6½ shares of United Merchants stock for each Juilliard common or preferred share. **Underwriter**—None. Statement effective Oct. 26.

★ Wagner Electric Corp., St. Louis, Mo. (2/8)
Jan. 19 filed 150,000 shares of common stock (par $15). **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes. **Underwriter**—G. H. Walker & Co., St. Louis and New York.

Wallace Container Co.
Dec. 18 (letter of notification) 75,000 shares of class A common stock. **Price**—At par ($4 per share). **Proceeds**—To expand facilitees. **Office**—5862-68 Croker Street, Los Angeles, Calif. **Underwriters**—The First California Co., Inc., Bateman, Eichler & Co. and Lester, Ryons & Co., all of Los Angeles, Calif.

West Coast Pipe Line Co., Dallas, Tex.
Nov. 20 filed $29,000,000 12-year 6% debentures due Dec. 15, 1964, and 580,000 shares of common stock (par 50 cents) to be offered in units of one $50 debenture and one share of stock. **Price** — To be supplied by amendment. **Proceeds**—From sale of units and 1,125,000 additional shares of common stock and private sale of $55,000,000 first mortgage bonds to be used to build a 1,030 mile crude oil pipeline. **Underwriters**—White, Weld &

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Co. and Union Securities Corp., both of New York. **Offering**—Postponed indefinitely.

West Coast Pipe Line Co., Dallas, Tex.
Nov. 20 filed 1,125,000 shares of common stock (par 50 cents). **Price**—To be supplied by amendment. **Proceeds**—Together with other funds, to be used to build pipeline. **Underwriters** — White, Weld & Co. and Union Securities Corp., both of New York. **Offering**—Postponed indefinitely.

● **Western Casualty & Surety Co.**
Dec. 29 filed 150,000 shares of common stock (par $5) being offered for subscription by stockholders of record Jan. 19, 1954, on the basis of one new share for each two shares held; rights to expire on Feb. 1, 1954. Western Insurance Securities Co., the parent, which owns 92% of the presently outstanding common stock, will not subscribe for any stock. **Price**—$23 per share. **Proceeds** — For working capital, etc. **Office** — Fort Scott, Kansas. **Underwriters** — Kidder, Peabody & Co., New York, and Prescott, Wright, Snider Co., Kansas City, Mo.

Wilson Organic Chemicals, Inc. (N. J.)
Dec. 14 (letter of notification) 15,000 shares of common stock (par $1). **Price**—2.12½ per share. **Proceeds**—To underwriter. **Underwriter**—Graham, Ross & Co., New York.

Wyoming Oil Co., Denver, Colo.
Nov. 3 (letter of notification) 5,000,000 shares of common stock (par five cents). **Price**—5½ cents per share. **Proceeds** — For drilling expenses. **Office** — 301 Kittredge Bldg., Denver, Colo. **Underwriter** — Robert W. Wilson, Denver, Colo.

Wyoming Oil & Exploration Co., Las Vegas, Nev.
Dec. 7 filed 300,000 shares of capital stock (par $1. **Price**—To be supplied by amendment. **Proceeds**—To pay for leases and drilling. **Business**—Oil and gas exploration. **Underwriter**—None.

Prospective Offerings

Alabama Power Co. (3/16)
Dec. 15 it was reported company is planning issuance and sale of $17,000,000 first mortgage bonds due 1984. **Proceeds**—For construction program. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Union Securities Corp., Equitable Securities Corp. and Drexel & Co. (jointly); Blyth & Co. Inc. and Kidder, Peabody & Co. (jointly); Morgan Stanley & Co.; Lehman Brothers; The First Boston Corp.; Harriman Ripley & Co., Inc. **Registration** — Tentatively scheduled for Feb. 8. **Bids**—Expected to be opened on March 16.

American Louisiana Pipe Line Co.
Nov. 10 company, a subsidiary of American Natural Gas Co., asked Federal Power Commission to authorize construction of a $130,000,000 pipe line, to be financed through the issuance of $97,500,000 of first mortgage bonds, $12,000,000 of interim notes convertible to preferred stock at option of company, and $20,500,000 of common stock (par $100), the latter to be sold to parent.

Atlantic City Electric Co.
Oct. 5 B. L. England, President, announced that the company plans to issue and sell early in 1954 about $4,000,000 of new bonds and make an offering to stockholders on a 1-for-10 basis of sufficient common stock to raise an additional estimated $3,000,000. **Proceeds**—For construction program. **Underwriters**—For common stock may be Union Securities Corp. and Smith, Barney & Co. Previous bond issue was placed privately.

Baltimore & Ohio RR.
Nov. 9 it was reported company is planning to issue $60,000,000 of new collateral trust 4% bonds to mature in 1-to-16 years in exchange for a like amount of collateral trust bonds due Jan. 1, 1965 now held by the Reconstruction Finance Corporation. The latter in turn plans to offer the new bonds to a group of investment houses including Halsey, Stuart & Co. Inc.; The First Boston Corp.; Merrill Lynch, Pierce, Fenner & Beane; Alex. Brown & Sons; and others. The bankers would then offer the bonds to the public.

Central Illinois Electric & Gas Co.
Dec. 9 it was announced company intends to offer and sell around the middle of 1954 an issue of $4,000,000 first mortgage bonds. **Proceeds**—To repay bank loans and for new construction. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Kidder, Peabody & Co. and White, Weld & Co. (jointly).

Central Maine Power Co.
Oct. 7 it was reported company plans sale during the first quarter of 1954 of $10,000,000 common stock after distribution by New England Public Service Co. of its holdings of Central Maine Power Co. common stock. Probable bidders: Blyth & Co., Inc. and Kidder, Peabody & Co. (jointly); Coffin & Burr, Inc.; A. C. Allyn & Co., Inc. and Bear, Stearns & Co. (jointly); Harriman Ripley & Co., Inc.

Chicago Great Western Ry.
Dec. 3 company sought ICC permission to issue and sell $6,000,000 of collateral trust bonds due Nov. 1, 1978, through a negotiated sale. **Price**—To be announced later. **Proceeds**—To repay bank loans and for capital improvements. **Bids**—Halsey, Stuart & Co. Inc. on Dec. 14 asked ICC to reject company's request and that bonds be first offered at competitive bidding.

★ **Chicago & North Western Ry.**
Jan. 15 company sought ICC permission to issue and sell $6,495,000 equipment trust certificates to be dated March 1, 1954 and mature annually March 1, 1955 to 1969, inclusive. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler; Kidder Peabody & Co.; Blair, Rollins & Co. Inc.

Chrysler Corp.
Dec. 23 it was reported that corporation is a prospect for a very substantial emission of debt capital.

Community Public Service Co.
Jan. 5, R. L. Bowen, President, announced that company plans to issue and sell in the latter part of March $3,000,000 of first mortgage bonds due 1984. **Proceeds**—To repay bank loans and for new construction. **Underwriters**—Previous bond financing was done through private channels. Bidders if competitive, may include: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; Blyth & Co., Inc.

Connecticut Light & Power Co.
Dec. 7 it was reported company plans to raise between $10,000,000 and $20,000,000 in 1954 from sale of bonds and stock. **Underwriters**—For common stock: Putnam & Co.; Chas. W. Scranton & Co., and Estabrook & Co. Bonds may be placed privately.

Continental Oil Co.
Dec. 23 it was reported that this company is expected to be in the market for new capital.

Delaware Power & Light Co.
Oct. 5 it was announced company plans to issue and sell in 1954 about $10,000,000 of first mortgage and collateral trust bonds. **Proceeds**—For construction program. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp. and Blyth & Co., Inc. (jointly); White, Weld & Co. and Shields & Co. (jointly); Union Securities Corp.; Lehman Brothers; Morgan Stanley & Co.. Kuhn, Loeb & Co. and Salomon Bros. & Hutzler (jointly); W. C. Langley & Co.

● **Delhi Oil Corp.**
Dec. 29 it was announced company plans to offer to its stockholders the right to subscribe for additional capital stock (with an oversubscription privilege). Stockholders on Jan. 18 approved a proposal to increase the authorized capital stock (par $1) from 3,000,000 shares to 5,000,000 shares. **Price** — To be below the present market (about $20 per share). **Proceeds**—About $10,000,000 to be used to retire debt, to increase working capital and for general corporate purposes. **Registration**—Expected to be filed by end of January, 1954.

★ **First National Bank of Toms River, N. J. (5/14)**
Jan 12 it was announced bank plans to offer for subscription by its stockholders of record May 1, 1954, an additional 3,000 shares of capital stock (par $10) on the basis of one new share for each 26 shares held; rights to expire on June 16. **Price**—$50 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—None.

General Public Utilities Corp.
Dec. 16 it was announced company plans to offer about 600,000 additional shares of common stock (par $5) to stockholders in March or April, 1954 — probably on the basis of one new share for each 15 shares held. **Price**—To be determined just prior to the offering date. **Proceeds**—To be invested in the domestic subsidiaries. **Underwriter**—None, but Merrill Lynch, Pierce, Fenner & Beane may act as clearing agent.

Georgia Power Co. (4/6)
Dec. 15 it was reported company plans issuance and sale of $11,000,000 first mortgage bonds due 1984. **Proceeds**—To repay bank loans and for construction program. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Salomon Bros. & Hutzler and Shields & Co. (jointly); Harriman Ripley & Co., Inc.; Union Securities Corp. and Equitable Securities Corp. (jointly); The First Boston Corp.; Lehman Brothers; Morgan Stanley & Co. **Registration**—Planned for March 1. **Bids**—Expected to be received on April 6.

★ **Groos National Bank of San Antonio**
Jan. 13 stockholders of record Jan. 12 were given the right to subscribe on or before Jan. 26 for 25,000 additional shares of common stock (par $10) on the basis of five new shares for each seven shares held. **Price**—$22.50 per share. **Proceeds**—To increase capital and surplus. **Underwriters**—Dittmar & Co. and Russ & Co., both of San Antonio, Tex.

Hempstead Bank, Hempstead, N. Y.
Dec. 18 stockholders approved plan of merger into this company of Bank of Syosset, L. I., N. Y., which will involve the issuance of 12,000 additional shares of Hempstead Bank of $10 par value. Unexchanged shares will be offered publicly. **Price** — $31.25 per share. **Underwriter**—Francis I. duPont & Co., New York. **Offering**—Expected in January.

Houston Lighting & Power Co.
Sept. 25 it was reported company plans some new financing to provide funds for its construction program. Bidders for about $25,000,000 of bonds may include Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Union Securities Corp.; Lehman Brothers; Smith, Barney & Co.; Kidder, Peabody & Co.; Equitable Securities Corp.

Houston National Bank, Houston, Tex.
Dec. 21 it was announced Bank, following proposed two-for-one stock split-up, plans to offer its stockholders 50,000 additional shares of capital stock on a one-for-two basis. **Price**—At par ($10 per share). **Proceeds**—To increase capital. **Meeting**—Stockholders on Jan. 12 were to vote on changing the authorized capital stock from 50,000 shares (par $20) to 150,000 shares (par $10).

Idaho Power Co.
Aug. 6, officials of Blyth & Co., Inc. and Bankers Trust Co., New York, testified before the Federal Power Commission that this company plans to raise $184,550,000 to finance construction of three hydro-electric projects on Snake River, Idaho. If approved, the financing will consist of $105,000,000 of bonds through 1962; $27,400,000 of preferred stock; and $52,150,000 of common stock. Throughout the financing period, the company would borrow and repay $29,000,000 of short-term loans. Final financing details would depend on market conditions.

★ **Industrial Trust Co. of Philadelphia**
Jan. 13 it was announced company plans to issue and sell 11,223 additional shares of capital stock (par $5) to be offered for subscription by stockholders on the basis of one new share for each 20 shares held. **Price**—$7.50 per share. **Proceeds**—To increase capital and surplus.

Inter-Mountain Telephone Co.
Dec. 23 it was reported company in April, 1954, may offer to its common stockholders some additional common stock. **Underwriter**—Courts & Co., Atlanta, Ga.

Jersey Central Power & Light Co.
Dec. 16 it was reported company tentatively plans to issue and sell in 1954 about $6,000,000 first mortgage bonds due 1984. **Proceeds** — For construction program. **Underwriters** — To be determined by competitive bidding, Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Glore, Forgan & Co.; Kidder, Peabody & Co.; Union Securities Corp., Salomon Bros. & Hutzler and Merrill Lynch, Pierce, Fenner & Beane (jointly); The First Boston Corp.; Lehman Brothers.

★ **Kansas City Power & Light Co.**
Jan. 13 it was announced that company may issue and sell later in 1954 additional first mortgage bonds. **Proceeds**—To repay bank loans and for new construction. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers and Bear, Stearns & Co. (jointly); Kuhn, Loeb & Co., Salomon Bros. & Hutzler and Union Securities Corp. (jointly); Glore, Forgan & Co.; Blyth & Co., Inc. and The First Boston Corp. (jointly); White, Weld & Co. and Shields & Co. (jointly); Harriman Ripley & Co., Inc.; Equitable Securities Corp.

★ **Laclede Gas Co.**
Jan. 28 stockholders will vote on authorizing the issuance of not exceeding $10,000,000 of debentures.

★ **Louisville & Nashville RR. (2/8)**
Bids will be received by the company up to noon (EST) on Feb. 8 for the purchase from it of $1,995,000 equipment trust certificates, series M, dated Aug. 15, 1953. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler; Kidder, Peabody & Co.; Blair, Rollins & Co. Inc.

Louisville & Nashville RR.
Nov. 12 it was reported that the company may issue and sell an issue of bonds late in 1954. **Proceeds**—To retire $24,610,000 Atlanta Knoxville & Cincinnati Division 4% bonds due May 1, 1955, and for general corporate purposes. **Underwriters**—May be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; White, Weld & Co. and Salomon Bros. & Hutzler (jointly).

Maier Brewing Co., Los Angeles, Calif.
April 18 it was announced company will offer 400,000 additional shares of common stock to its stockholders at rate of four new shares for each share held. **Price**—$5 per share. **Prcoeeds** — To help finance a new bottling plant. **Underwriter**—None.

McBride Oil & Gas Corp., Houston, Tex.
Nov. 8 it was announced that early registration is expected of approximately $5,000,000 of common stock. **Price**—Expected to be about $2 per share. **Proceeds**—For expansion program. **Underwriter** — Bryan & Co., Houston, Tex.

Metropolitan Edison Co.
Dec. 16 it was reported company may sell in 1954 about $3,500,000 first mortgage bonds due 1984. **Proceeds**—For construction program. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Kuhn, Loeb & Co. and Salomon Bros. & Hutzler (jointly).

Missouri Public Service Co.
Dec. 28 it was announced company plans to issue and sell $14,000,000 of common stock and borrow $18,000,000 from banks in connection with proposed acquisition of 1,500,000 shares of common stock of Gas Service Co. of Kansas City, Mo., at a total cost of $32,000,000. Following consummation of proposed merger of the two companies, it is planned to sell $18,000,000 in bonds and debentures to retire the bank loans. **Underwriter** — For stock: Kidder, Peabody & Co.

National Union Fire Insurance Co. (3/16)
Jan. 14, W. A. Rattleman, President, announced that company plans to issue to stockholders of record about March 16 the right to subscribe for 200,000 additional shares of capital stock (par $5) onthe basis of one new share for each two shares held. **Price**—Expected to be $30 per share. **Proceeds**—To increase capital and surplus. **Underwriter**—The First Boston Corp., New York.

New Jersey Power & Light Co.
Dec. 16 it was reported this company tentatively plans issue and sale in 1954 of about $3,000,000 first mortgage bonds due 1984. **Proceeds**—To repay bank loans and for new construction. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co. and Lehman Brothers (jointly); Equitable Securities Corp.; Union Securities Corp. and White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Beane.

★ **New York, Chicago & St. Louis RR. (2/2)**
Bids will be received by the company up to noon (EST) on Feb. 2 for the purchase from it of $2,970,000 equipment trust certificates to mature in 1-to-15 years. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler; Kidder, Peabody & Co.; Blair, Rollins & Co. Inc.

North Shore Gas Co. (Mass.)
Dec. 14 it was announced that it has been decided to defer a bond issue by this company for at least several months. It had been reported that the issuance and sale of about $3,000,000 of first mortgage bonds had been planned. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Beane and Union Securities Corp. (jointly).

Pacific Telephone & Telegraph Co.
July 2 it was announced company plans to issue and sell to its stockholders 1,004,603 additional shares of capital stock on a 1-for-7 basis. **Price**—At par (100 per share. **Proceeds**—To repay bank loans. **Underwriter**—None. American Telephone & Telegraph Co., parent, owns 91.25% of Pacific's outstanding stock. **Offering**—Not expected until the early part of 1954.

Pennsylvania Electric Co.
Dec. 16 it was reported that company may issue and sell about $12,500,000 of first mortgage bonds due 1984. **Proceeds**—For construction program. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Equitable Securities Corp.; Kidder, Peabody & Co., Merrill Lynch, Pierce, Fenner & Beane, Union Securities Corp. and White, Weld & Co. (jointly); Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co., Lehman Brothers, Drexel & Co. and Salomon Bros. & Hutzler (jonitly); The First Boston Corp. **Offering**—Expected in March or April, 1954.

● Pennsylvania RR. (2/3)
Bids will be received up to noon (EST) on Feb. 3 by the company at Philadelphia, Pa., for the purchase from it of $5,265,000 equipment trust certificates, series BB, to mature annually on Feb. 1 from 1955 to 1969 inclusive. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler; Kidder, Peabody & Co.; Blair, Rollins & Co. Inc.

Peoples Finance Corp., Denver, Colo.
Jan. 5 it was reported company plans to issue and sell $300,000 of 6% convertible debentures. **Price**—At 100% and accrued interest. **Underwriter**—Paul C. Kimball & Co., Chicago, Ill.

Pittsburgh & West Virginia Ry. (2/25)
Jan. 6 it was reported company plans to issue and sell $7,500,000 of first mortgage bonds due 1984. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp.; Smith, Barney & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected to be received on Feb. 25.

Public Service Co. of Colorado
Oct. 13 it was reported company is planning to float an issue of $15,000,000 first mortgage bonds, due 1984, early in 1954. **Proceeds** — For financing, in part, a $17,000,000 electric generating plant to be constructed in Denver, Colo. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; The First Boston Corp.; Harris, Hall & Co. Inc.; Harriman Ripley & Co., Inc. and Union Securities Corp. (jointly); Lehman Brothers; Kidder, Peabody & Co.; Blyth & Co., Inc. and Smith, Barney & Co. (jointly).

★ Puerto Rico (Commonwealth of) (2/3)
Bids are expected to be received on Feb. 3 by the Government Development Bank of Puerto Rico for the purchase from it of $10,000,000 public improvement bonds to be dated Jan. 1, 1954 and to mature July 1, 1955 to 1974, inclusive. The National City Bank of New York purchased the last block of bonds marketed in May, 1952.

Riddle Airlines, Inc.
Jan. 7 it was reported company plans to file a letter of notification soon to issue an aggregate value of up to $300,000 of new securities. **Underwriter**—Eisele & King, Libaire, Stout & Co., New York.

★ San Diego Gas & Electric Co.
Jan. 2, E. D. Sherwin, President, announced that the next financing to be undertaken by the company will probably be an offering of first mortgage bonds, series E, due 1984, in April of this year. **Proceeds**—To repay bank loans and for new construction. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; The First Boston Corp.; Kuhn, Loeb & Co.; Salomon Bros. & Hutzler; White, Weld & Co., and Shields & Co. (jointly); Lehman Brothers; Union Securities Corp.; Merrill Lynch, Pierce, Fenner & Beane.

Southern California Edison Co.
Dec. 30, W. C. Mullendore, President, announced that it probably will be necessary for the company to obtain approximately $50,000,000 from the sale of additional securities in 1954, the type of which is not now known. Probable bidders for new first and refunding mortgage bonds, series F, may include: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; The First Boston Corp. and Harris, Hall & Co. Inc. (jointly); Kuhn, Loeb & Co. Probable bidders for common stock may include: Blyth & Co., Inc.; The First Boston Corp.

Southern Natural Gas Co.
Dec. 8 it was reported company may issue and sell in March, 1954, about $20,000,000 of first mortgage bonds. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; The First Boston Corp.; Blyth & Co., Inc., and Kidder, Peabody & Co. (jointly).

● Southern Pacific Co. (1/28)
Bids will be received at Room 2117, 165 Broadway, New York 6, N. Y. up to noon (EST) on Jan. 28 for the purchase from the company of $9,660,000 equipment trust certificates, series MM, to be dated Jan. 1, 1954 and to mature in 15 equal annual instalments. Probable bidders: Halsey, Stuart & Co. Inc.; Salomon Bros. & Hutzler; Kidder, Peabody & Co.

★ Southwestern States Telephone Co. (2/8)
Jan. 18 it was reported company plans to issue and sell 100,000 additional shares of common stock (par $1). **Price**—To be announced later. **Proceeds**—To repay bank loans and for new construction. **Underwriter**—Central Republic Co. Inc., Chicago, Ill. **Registration** — Momentarily expected.

Spokane International RR. Co.
Dec. 29, F. C. Rummel, President, announced company is filing an application with the ICC for permission to offer 28,484 additional shares of capital stock (no par) to its stockholders of record Dec. 31, 1953, on the basis of one new share for each six shares owned. **Price**—$15 per share. **Proceeds**—For improvement and modernization program.

Suburban Electric Co. (3/3)
Dec. 14 it was announced company plans to issue and sell $4,000,000 of 30-year first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Lehman Brothers; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Beane and Union Securities Corp. (jointly). **Bids**—Tentatively expected to be received on or about March 3.

Utah Power & Light Co.
Dec. 23 it was reported company plans to offer in March, 1954, about 200,000 shares of common stock and in May, 1954, approximately $15,000,000 of debentures. **Underwriters**—(1) For debentures to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and Stone & Webster Securities Corp. (jointly); Union Securities Corp. and Smith, Barney & Co. (jointly); Lehman Brothers and Bear, Stearns & Co. (jointly); The First Boston Corp. and Blyth & Co., Inc. (jointly); Kidder, Peabody & Co.; Salomon Bros. & Hutzler. (2) Previous common stock offering (in 1952) was made to stockholders, without underwriting. If competitive, bidders may include Blyth & Co., Inc.; Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Beane (jointly); Lehman Brothers; The First Boston Corp.; Union Securities Corp. and Smith, Barney & Co. (jointly).

West Coast Transmission Co.
Oct. 14 it was announced that company now plans to issue $29,000,000 in 1-to-5½-year serial notes; $71,000,000 in 20-year, first mortgage bonds; and $24,440,000 in subordinated long-term debentures and 4,100,000 shares of common stock to be sold to the public. **Proceeds**—To finance construction of a natural gas pipe line from the Canadian Peace River field to western Washington and Oregon. **Underwriter**—Eastman, Dillon & Co., New York.

Continued from page 16

The State of Trade And Industry

ago. Roasters also continued to adjust their prices higher on roasted coffees. Lard displayed a firmer tone, influenced by the strength shown in grains and hogs. Light swine receipts pushed hog values up to the highest level for any January since 1948.

Spot cotton markets were steady to stronger last week in moderately active trading. Helping to support the market were the improved outlook for exports, talk of a possible government stockpile for cotton, and price-fixing for domestic and foreign account.

Domestic mill buying increased in volume, particularly in the south central area of the belt. Cotton continued to move into the government loan stock in good volume.

Loan entries of 1953-crop cotton during the week ended Jan. 1 were reported at 165,400 bales, against 200,200 bales in the preceding week, and 296,200 two weeks earlier. Entries for the season through Jan. 1 totaled 5,554,100 bales. Total repayment for the season to date were 54,400 bales, leaving 5,499,700 bales of 1953-crop cotton still under loan.

Trade Volume Holds Close to High Level of Previous Week

The total dollar volume of retail trade in the week was estimated by Dun & Bradstreet, Inc., to be from 0 to 4% higher than the level of a year ago. Regional estimates varied from the comparable 1953 level by the following percentages: New England and East −2 to +2; Midwest −1 to +3; Northwest −2 to +2; South and Southwest 0 to +4 and Pacific Coast +1 to +5.

Tumbling temperatures combined with reduced-price promotions were instrumental in raising the demand for apparel last week. Shoppers generally spent about as much for apparel as they did a year earlier, with the largest rises in the demand for coats and children's clothing.

In preparation for a new selling season, wholesale buyers placed an increased volume of orders in the period ended on Wednesday of last week. However, the total dollar volume of wholesale trade did not quite match the level of a year before. While buyers were generally more circumspect about placing sizable orders than they had been in recent months, some buyers, particularly of apparel, boosted their orders unexpectedly.

Department stores sales on a country-wide basis as taken from the Federal Reserve Board's index, for the week ended Jan. 9, 1954, increased 7% above the level of the preceding week. In the previous week, Jan. 2, 1954, no change was reported from that of the similar week of 1953. For the four weeks ended Jan. 9, 1954, an increase of 4% was reported. For the year 1953, department store sales registered an increase of 2% above the corresponding period of 1952.

Inclement weather induced by heavy snows in New York the past week resulted in a sharp decline in retail trade volume. Trade observers placed the drop at 9% to 10% below the like week a year ago.

According to the Federal Reserve Board's index department store sales in New York City for the weekly period ended Jan. 9, 1954, registered an increase of 10% from the like period of last year. In the preceding week Jan. 2, 1954, a decrease of 2% was reported from that of the similar week of 1953, while for the four weeks ended Jan. 9, 1954, an increase of 5% was reported. For the year 1953, a decrease of 1% was registered from that of the 1952 period.

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DIVIDEND NOTICES

GREEN BAY & WESTERN RAILROAD COMPANY

The Board of Directors has fixed and declared $50.00 the amount payable on Class "A" Debentures (Payment No. 58), and a dividend of $5.00 to be payable on the capital stock, and $15.00 to be the amount payable on Class "B" Debentures (Payment No. 36), out of net earnings for the year 1953, payable at Room No. 3400, No. 20 Exchange Place, New York 5, New York, on and after February 3, 1954. The dividend on the stock will be paid to stockholders of record at the close of business January 20, 1954.

W. W. COX, Secretary.
New York, New York, January 7, 1954.

ALUMINIUM LIMITED

DIVIDEND NOTICE

On January 13, 1954, a quarterly dividend of fifty cents per share in U. S. currency was declared on the no par value shares of this Company payable March 5, 1954, to shareholders of record at the close of business January 29, 1954.

Montreal JAMES A. DULLEA
January 13, 1954 Secretary

DIVIDEND NOTICE

Southern California Edison Company

DIVIDENDS

CUMULATIVE PREFERRED STOCK
4.08% SERIES
DIVIDEND NO. 16

CUMULATIVE PREFERRED STOCK
4.88% SERIES
DIVIDEND NO. 25

The Board of Directors has authorized the payment of the following quarterly dividends:

25½ cents per share on the Cumulative Preferred Stock, 4.08% Series;

30½ cents per share on the Cumulative Preferred Stock, 4.88% Series.

The above dividends are payable February 28, 1954, to stockholders of record February 5, 1954. *Checks will be mailed from the Company's office in Los Angeles, February 28, 1954.*

P. C. HALE, *Treasurer*

January 15, 1954

Washington . . . And You

Behind-the-Scene Interpretations from the Nation's Capital

Continued from page 4

direction, with a subordination of land power.

Spending Cuts Will Continue

As the President sends his fiscal 1955 budget to the Hill today many probably will think because of the broad social welfare program proposed by the President, that this budget will reflect the farthest progress in reduced expenditures that this generation may witness since the Republican Administration arrested the 20-year trend toward bigger government.

This, however, is unlikely to be the case, say observers. In other words, the trend toward reduced total Federal spending can very likely continue into fiscal 1956, possibly even longer. So long as men like Joe Dodge, George Humphrey, Charles E. Wilson, and W. Randolph Burgess are in the Administration, they may be expected to press for economy.

The nature of welfare expenditures under the previous Democratic regimes has always been that they take a long time getting started. It takes three to four years for a new welfare, housing, social security, or other long range expensive program, to begin to bite into the Treasury.

So even if Congress enacted all of the expensive proposals recommended by the President, it would still be a few years before they became substantial burdens upon the taxpayer.

However, scarcely any of these programs will be enacted. New Dealers and Republicans alike have a joint interest, if entirely dissimilar, in throttling as many as possible of these schemes in committee.

So - called "liberals" are scarcely less unhappy than conservative Republicans over Mr. Eisenhower's surprising determination to go so far for a welfare state. They figure, they explained, that they would have to vote for such proposals — or more expensive ones—yet not be sure of getting credit with the voting customers because they would be supporting a Republican President.

"As I see it," explained one prominent "liberal," "we would just be the guy who brought the drunk home at 4 a.m. and poured him into his house. He would probably not remember we rescued him, or if he did remember, would quickly forget on purpose."

Republicans Are Unhappy

Republicans are extremely unhappy. Relatively they have tended to be on the side of, or leaning toward economy and budget balancing. They don't want to vote for Eisenhower and against the things for which they have more or less stood for many years. On the other hand they do not want to vote needlessly against pretty gilt-edged programs and encounter the ire of those who expect to benefit.

There are two groups that are pleased with Mr. Eisenhower's welfare programs. One is the comparatively small band of "first for Ike" Republicans, who say that the President has adopted the liberal course which is the only salvation of the Republican party, the only course which will rescue it from extinction. This group is led by Representative Hugh Scott (R., Pa.), Mr. Dewey's former GOP National Chairman.

Democratic wheel horses also are happy. They expect that, barring a miracle, next November's election will produce a Democratic House, perhaps also Senate. So expect the Democratic "liberals." So also gloomily expect the Republicans.

The latter report that Mr. Eisenhower rejected virtually all their suggestions made at the conferences of legislative leaders at the White House in December. They gave the most earnest recommendations in good faith. They say they expected the President to make compromises and adjustments. He didn't. Expecting give and take, they respected the pledge of secrecy. Thus they gave up any thought of building a fire under the Ike New Deal in time to head it off.

Welfare Awaits Democratic Congress

While the "liberals" will cooperate tacitly with the Republicans to smother as much as possible of Mr. Eisenhower's welfare program, this situation will turn completely around if the Democrats win the November election.

Then the Democrats will get hot on a welfare program. They will take up as many of Mr. Eisenhower's programs as they can, but not as Mr. Eisenhower proposes them. Every White House proposal as such will be buried in a nice pigeon-hole. Then committees under Democratic control will hold hearings on these proposals. There will emerge new and more beautiful and expensive programs. They will be labeled "Democratic programs," and some will have a chance of passing.

In such a case fiscal 1956 or 1957 can be set down as the time at which Federal spending will reach its lowest point since the rise in spending started with Roosevelt. For while new welfare programs are slow gathering momentum, once they take hold they are virtually ineradicable, as witness the farm subsidy program.

Limited Debt Boost Is Favored

Chances seem to be picking up for the proposal to defer until June any decision on the Administration's proposal to raise the Treasury debt limit by $15 billion.

Senator Byrd's announcement that Treasury figures indicate the Treasury will be less embarrassed between now and June 30 than it was between July 1 and Dec. 31, is convincing his colleagues.

Senator Byrd aims to defer the decision until June. And in June he would like to grant only so much of a debt limit boost as would be required to permit borrowing for the budget deficit which can be foreseen at that time.

The Virginia Senator's objective is almost entirely fiscal. With the Administration becoming seduced toward more liberalized welfare programs, the existence of a debt limit offers one remaining barrier against the eventual trend toward rising government expenditures. It is also a good short-term obstacle to spending. Because of the limited borrowing power the Eisenhower Administration has had to force both the military and civilian agencies to hold back on spending. Perhaps many an airplane which is on the way to obsolescence has failed to be purchased, that might otherwise have been purchased, but for the strict limit on what the government could spend if it wanted to avoid breaching the debt limit.

The debt limit is also viewed by opponents of the Administration as a handy political instrument. Members of Congress who vote for new programs and new appropriations can then vote against a debt limit boost to show they are against spending. Furthermore, the debt limit question underscores dramatically to the voting customers the fact that the Administration cannot or is not making good on its promise of balancing the budget.

For purposes of fiscal control, Senator Byrd would like to dole out each year only so much additional borrowing authority as would accommodate the forecast deficit. Politically this suits the opposition. They will thus be able to get across annually next year, including 1956 —the Presidential election year —the fact that the Republican Administration is failing to balance the budget.

Under such an annually regulated debt boost, however, the Treasury's program of "lengthening out" the maturities of the Federal debt will have little chance of spectacular success.

(This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.)

BUSINESS BUZZ

"Reverend Smith calling Reverend Jones—parson to parson—"

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In 2 Sections — Section 2

The COMMERCIAL and FINANCIAL CHRONICLE

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Monthly Range of Prices on the New York Stock Exchange During 1953

THIS SECTION contains a tabulation showing the high and low prices, by months, for the year 1953 of every bond and stock in which dealings occurred on the New York Stock Exchange. The record for stock issues starts on page 2, for bonds on page 16.

Business and Finance Speaks

AFTER THE TURN OF THE YEAR

THE OPINIONS of many of the nation's leading executives on the outlook for business during 1954 appear in the FIRST SECTION of today's ANNUAL REVIEW NUMBER

Monthly Range of Prices on the
NEW YORK STOCK EXCHANGE

The tables which follow show the high and low prices, by months, for the year 1953 of every bond and every stock in which any dealings occurred on the New York Stock Exchange. The prices in all cases are based on actual sales.

COURSE OF PRICES OF RAILROAD AND MISCELLANEOUS STOCKS AND BONDS FOR 1953

STOCKS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
A																								
Abbott Laboratories 5	43¼	47½	42	45	43	45	41¼	43½	41	43½	39⅝	41¾	40⅜	42½	40⅞	42⅞	39⅛	40⅞	39½	42	40⅝	45⅜	44¼	45⅜
4% preferred 100	108¾	112	109	112	108	110	102½	107¾	102	107	99	102½	99½	100½	101	102	101¾	102¾	101½	104	105	108¾	106	108¾
ABC Vending Corp 1	--	--	--	--	--	--	--	--	--	--	9⅞	10⅛	9⅛	10¼	8⅝	9⅞	8¼	9	9	9⅝	9	9½	9⅜	10
ACF Brill Motors Co 2.50	5⅞	6¾	5¾	6⅝	5¾	6⅜	4⅝	5⅞	4⅝	5¼	4¼	4¾	4	4⅝	4¼	5½	3⅞	5	4	4½	4⅛	5⅜	5⅛	6¼
Acme Steel Co 10	25⅜	26¾	25	26¼	25	26	23	25	23¼	25	22⅛	23½	22¾	24	21¾	23¾	20⅛	22	20⅝	21¾	21⅝	22⅞	20	22¼
Adams Express 1	33⅜	35¼	33	34⅛	32⅜	33¾	29¾	32⅝	30	31⅛	28⅛	30⅜	28¾	30	27⅝	30⅞	25⅛	27⅞	25¼	27¾	26¾	29	27⅛	28
Adams-Millis Corp *	34¼	36	34¾	36½	34	35½	33¾	34⅞	31⅞	33½	31	32½	32	32½	28	31¾	25½	27⅝	26½	27¾	24¾	27	23½	25¼
Addressograph-Multigraph Corp 10	56¾	59⅜	56	58	52½	57¼	49	53	49¾	52	48	50	50	51¾	51	52	49¼	52	50½	53	50½	52¼	51¼	58
Admiral Corp 1	30⅜	32¾	28	30⅞	27	30⅜	25½	28	25⅝	28⅜	24⅛	26½	24⅛	27⅛	23½	27⅝	23⅞	27½	21⅞	28⅜	19⅜	23¼	18⅝	22¼
Affiliated Gas Equipment Inc 1	8½	10⅛	9⅜	10⅛	9¼	10⅞	9	9⅝	8¾	9⅜	8¼	9⅛	8½	9¼	8	9¼	7⅜	8⅛	7⅝	8¾	7½	8½	7½	8⅜
$3 preferred with warrants 50	50	50¾	50	50½	50	51	50¾	51	50¼	50¾	50¼	51	50½	51¼	50	50¼	49¼	50	50	51	50½	52	50⅜	50⅜
Air Reduction Co Inc *	27¾	29⅜	27	28	27½	29⅛	26⅛	28⅜	26⅝	27⅞	24	27	23⅝	25⅜	23⅛	24⅞	22⅝	23⅝	22¼	23⅛	22¼	23¾	22⅝	25⅜
4.50% cum preferred 100	111⅝	114¾	110	112½	109¾	112¾	106	109¾	106¾	108½	101¼	106½	103	104¾	101⅞	104	101½	103	101	103½	101⅞	103¼	101½	106
Alabama & Vicksburg Ry Co 100	153½	155	155½	158½	155	160	151	158	153	158	150	157½	152	154½	156	160	155¾	156	155¼	155¾	155½	158	--	--
Alaska Juneau Gold Mining 10	2⅞	3¼	2⅞	3⅛	2⅞	3¼	2⅞	3⅜	2⅞	3⅜	2¾	3	2¾	2⅞	2½	2⅞	2	2½	2⅛	2⅜	2	2¼	2	2¼
Aldens Inc 5	18¾	19⅞	18¼	19¼	19	20⅛	19	19⅝	19⅛	19¾	17¾	19¼	18⅝	20⅛	18¼	20½	17	18⅞	18½	20¼	19⅜	19¾	19½	21⅛
Preferred 4¼% 100	70½	72	71½	74	72¼	74	71½	72⅜	71	73¼	70½	72½	70⅛	71¼	70	71½	70	71	70½	71½	71¼	72¾	71	72
Alleghany Corp 1	4½	5¼	4¼	4¾	4½	5⅜	4½	5¼	4⅛	4⅞	3⅝	4¼	3⅝	4	3¼	4	3	3½	3⅛	3⅞	3½	3⅞	3⅛	3¾
5½% pfd series A 100	133	152	132	138	135½	151	138⅜	149	139⅜	152	138	142	139¼	144	139	146	130	138½	137	145	143¼	143¼	143½	148½
$2.50 prior conv preferred *	--	--	80	80	88	88	87	91	85	88	81	83½	81	82½	82	82¼	--	--	--	--	--	--	--	--
$4 conv prior preferred *	--	--	--	--	--	--	--	--	--	--	--	--	--	--	79	81	--	--	78	80	80	80	79½	80
Allegheny Ludlum Steel Corp 1	36⅜	39	34	37¼	33⅛	37½	32⅝	35⅜	33⅝	35⅞	31¾	34½	32½	34¼	28	34¼	25⅛	28⅜	26¼	30⅝	30½	33¼	27¼	32
$4.375 cum preferred *	102½	103½	103	104	102	104	99¾	100	99¾	100	97¼	99	95	95	93	96	91	93	93	94	93½	95	94	99
Allegheny & Western Ry 6% gtd 100	97	97	96	96	95	97	94½	96	96	98	90	90	92	92	88¾	91	87¼	89	89¼	92	91	92	91	93½
Allen Industries Inc 1	9	9¾	9½	10	9⅜	10½	9⅜	9⅞	9¼	9⅞	9	9⅜	8⅞	9½	8¾	9¾	8⅜	8⅞	8¼	9	8¾	9⅛	8⅜	9
Allied Chemical & Dye Corp *	72½	76⅞	70⅛	74	70	76⅞	69½	74	67	71½	65¼	69	67¾	69½	66½	70⅛	62⅜	67¾	65¼	68¾	68⅛	75⅛	72½	75
Allied Kid Co 5	19½	20⅜	19⅛	21	20¼	22	20	21½	19¾	20½	19½	20	19½	20⅛	19½	20	19⅛	20½	19	20	17½	18½	17	18
Allied Mills Inc *	32	33	29	32	29⅛	30⅞	27¼	29⅜	27	28⅛	25¾	27¼	26	28¾	25	28⅛	24¾	25⅝	24⅝	26⅜	24⅞	27½	25⅛	27¼
Allied Stores Corp *	38⅛	40⅜	37	39⅜	38⅜	40⅛	36¾	39⅜	38¾	39¾	36⅞	39½	37⅝	39¼	37¼	39¼	35⅛	37¾	36½	38½	36¾	37⅞	36⅞	39½
4% cum preferred 100	93	93¼	93	93¾	93	93½	92	93	91	91	89	90¼	88	89¾	88	89	87	87¾	89¼	92¾	91	94	89½	90¾
Allis-Chalmers Mfg Co 20	56¾	59½	54½	58⅜	52½	56¾	51½	53⅞	52¼	54⅞	48	54¼	48	50⅛	44⅛	49⅝	41½	44	41⅛	45	41⅜	45½	44	45½
3¼% cum conv preferred 100	114	118½	109¼	116⅛	108⅜	113	102¾	107¾	105	109¾	96½	108	97	100½	90¼	98¼	86¼	90	86	91	90¾	94	89	91¾
Alpha Portland Cement *	46⅜	48¾	44½	47	46½	51⅞	48¾	50¾	47¾	52¼	45½	48⅜	46¼	48¼	43	48	40	44	43	44¾	41⅜	44½	42¼	44⅞
Aluminum Co of America *	90½	95¾	91⅛	96⅜	91⅞	97¾	91	94¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New 1	--	--	--	--	--	--	42½	45¼	44¾	48	43¼	48½	45½	50½	45¼	53⅜	45	47⅜	46¾	54¼	52⅜	56¼	54½	62
Aluminium Limited *	51⅝	54⅞	49	54⅜	49½	52	41¾	49¾	43	46⅜	42¾	48	45¾	49¾	45¼	49¼	43⅛	46⅞	43½	48⅜	46¾	49⅝	47¼	50⅛
Rights	--	--	--	--	--	--	⅞	[illegible]	⅞	1 3/32	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Amalgamated Leather Cos Inc 1	2⅜	2¾	2½	2¾	2½	3⅛	2½	3	2¾	3⅛	2½	2⅞	2½	2¾	2⅜	2¾	2⅛	2⅜	2	2¼	1⅞	2⅛	1⅝	2
6% convertible preferred 50	33¼	33¼	--	--	35	36⅛	35⅞	36	--	--	--	--	36	36	--	--	35⅜	35⅜	--	--	32	33	30¾	30¾
Amalgamated Sugar Co (The) 1	17	17½	17½	17¾	17¾	19½	17¾	19½	17⅜	17⅞	16¼	17⅜	16¼	18⅝	17⅝	18⅜	16¼	17¼	17	17¼	17⅝	18¾	18⅛	19½
Amerada Petroleum Corp *	172½	189½	171	182	173	186½	161	180	163¾	172¼	156	167	159	170½	158⅛	170¾	150¼	162	148½	161½	157½	171⅝	164¼	170¾
American Agric Chemical (Del) *	68¾	75½	66¼	70	65⅜	68⅜	61½	66	63½	67¼	62	66	61½	63½	62	66	58	65¼	56¾	60½	55¾	61	56½	59½
American Airlines Inc 1	14⅝	15⅜	14	15	13½	14¾	12⅝	14	13¼	14⅛	13	14⅛	13⅜	14⅛	12¼	14⅛	11½	12⅝	11½	12⅜	11½	12⅛	11⅜	12½
3½% cum conv preferred 100	80	83½	82	84½	80	83½	76¾	80	75¼	80	74½	77¼	75¾	79	75⅝	79	71	76¼	72	74	72⅜	75	70¾	73½
American Bakeries Co *	--	--	--	--	--	--	--	--	--	--	26¾	29	27¾	29¾	27	29¼	26¼	27⅝	26⅜	27½	26½	27½	26¾	27½
4½% convertible preferred 100	--	--	--	--	--	--	--	--	--	--	96	97¾	94	95	93½	96	95½	96¾	96	97	96⅜	97	97½	99
American Bank Note Co 10	19⅝	20¼	19¼	20⅜	17¾	20	17¼	19	17⅜	18⅛	17½	18	17	17¾	16½	17¾	16	17	15⅛	16½	14¾	15½	15	17¼
6% preferred 50	56½	59	57	58¾	55½	57½	53	57	53	54½	50	53⅝	52	54½	53½	56	53	58	56¼	57½	53½	56¾	55	56¼
American Bosch Corp 2	11¼	12¼	11	12⅛	10⅛	11⅞	9½	10¼	9½	10⅜	8½	9⅞	7¾	9	6¼	8⅜	6¼	7½	7	7¾	7	9½	8⅛	9¾
2nd pfd 1952 series 5½% 50	45½	46¼	45½	47	44¼	46¾	42½	44¼	43	44	40½	43¼	38½	39¾	37½	39	36	37	36	37½	35	38½	36¼	41
American Brake Shoe Co *	38	40½	39⅛	40⅜	38	40½	36	38⅞	37¾	39¼	37	38¾	37⅜	38½	37	38⅜	34⅝	37⅛	34¾	36⅞	36½	37⅜	34⅞	39
4% convertible preferred 100	100½	102¾	101	103¼	101¾	103¼	98	101	97½	99¼	94	96⅝	95	98⅜	95¼	97¼	91	94¼	91½	96¼	93½	98	95	99¼
American Broadcasting Co Inc 1	9⅝	10½	10½	11½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
d Amer Broadcasting-Paramount Theatres Inc 1	--	--	13⅝	15⅜	13¾	15⅞	14⅛	15¼	14¼	15¾	13⅞	14⅞	13¾	14⅝	13¾	15⅝	12⅝	14	13¼	14¾	14½	15⅞	14¼	15⅞
Ctfs of interest in common 1	--	--	14⅜	14⅜	14	15¾	14¼	15	14⅜	15½	14½	14¾	--	--	14	15	13⅜	13⅜	--	--	15⅜	15⅝	--	--
5% preferred 20	--	--	15	16⅛	15½	16¼	15¾	16½	16¼	16⅝	16½	16⅞	16½	16¾	16⅜	16¾	15¾	16¾	15⅞	16⅜	16⅛	16⅜	16⅛	16½
American Cable & Radio 1	4¼	4¾	4¼	4⅞	4½	5⅛	4⅜	6⅛	5⅝	6⅜	4⅞	6	5⅛	5⅞	4½	5½	3¾	4⅝	4	4⅞	4⅜	4¾	4⅛	5¼
American Can Co 12.50	33⅜	36	31⅝	34¼	33⅞	36⅞	34½	36⅝	34⅝	37⅜	33⅜	35	34⅛	36½	33⅜	37⅜	33	36	35¼	37⅝	36½	40	37½	39⅞
7% preferred 25	43⅜	44⅜	43⅛	43⅞	41	43⅝	40⅛	42⅛	40½	42	40¾	41⅞	41½	42	41⅞	43	42⅜	43⅝	42⅞	44⅜	44⅛	45⅛	44	44½
American Car & Foundry Co 25	35	37	34½	40	35¼	41	35⅜	39⅝	38¼	49¾	40⅝	48½	35	41⅜	33⅝	37⅝	30½	35¼	30⅞	33⅜	31½	33⅞	31½	35⅜
7% non-cum preferred 100	78	80	76¼	80¾	78	85⅛	77	80½	79	84½	77	82¼	77¾	80	78	80	72½	77½	72¼	73¾	73¾	76½	72	79¼
American Chain & Cable Co Inc *	29¾	34¼	31½	34	30	32⅞	29	30¼	29⅜	30⅝	28⅛	30	28	28⅞	28⅛	30	26	28	27⅞	30	29¼	31½	26¾	29¾
American Chicle Co *	46⅜	49¾	48¼	50⅛	46¼	49⅛	44¾	47¾	45¾	49¾	45	48	46	48½	46½	49	46½	48	46½	48¼	47⅞	49⅛	47¼	51
American Colortype Co 10	16⅛	16½	16⅝	18	18	18⅝	17⅜	18⅛	17½	20½	18½	20¼	19⅛	20¼	19⅜	20⅝	19⅜	20⅜	19½	21	20½	22	22	23¾
American Crystal Sugar Co 10	21⅜	22⅜	22⅛	23½	22¾	23⅞	21⅝	22¾	22	25¼	22¾	24¾	22½	23¼	22¼	22⅞	21	22	21⅝	22¼	22	22½	21½	22½
Cum 4½% prior preferred 100	90½	96	93	96½	91	96¾	90⅞	92	90	91	91	91	90	91	91	91	90½	91	90½	90½	90¾	92	90½	91
American Cyanamid Co 10	49¼	55⅞	47¼	51⅝	47⅝	53¼	47	52⅛	45⅝	49⅜	41⅝	46½	43¼	47⅝	44⅛	50¼	43⅛	45¾	44⅛	47¾	47	49⅞	45¾	50
3½% conv preferred series A 100	--	--	--	--	225	229	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
3½% conv pfd series B 100	136½	151	135	139½	132	134¾	132	138½	132	135	117½	121½	120½	123½	--	--	119	125¼	128½	128½	133¾	133¾	130½	131

d Merger of American Broadcasting and United Paramount Theatres. For other footnotes see page 15.

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1953 — NEW YORK STOCK RECORD — 1953

STOCKS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
American Distilling Co......20	37⅛	39⅝	35⅛	36½	35¼	38	34⅜	36⅛	34	37¼	33	34¾	33	34½	32½	35¾	28⅝	32¼	31	32⅜	31¼	32¼	31¼	33½
American Encaustic Tiling Co Inc......1	7¾	8⅜	7⅝	8⅛	7⅝	8⅛	7⅜	7⅞	7½	7⅞	6⅞	7⅝	7	7¾	7¼	8⅛	7	7½	7⅛	8¼	7¾	8⅛	8	8¼
American European Securities......*	30½	31½	28½	30½	30⅛	30⅞	28¾	30⅞	--	--	27	28½	27	28¼	27½	28½	27	27¾	26	27¼	27	28¼	26¼	29
American Export Lines Inc......40c	16	17⅛	16½	17¼	16¼	17¼	15¾	16⅞	15½	16	14¾	15⅝	14⅝	15¼	14⅝	15⅛	12¾	14½	12¾	14⅜	12½	14¼	12⅞	13¾
American & Foreign Power Co Inc......*	8⅝	9⅛	8	9⅛	8⅝	10⅜	9	10½	9¾	11	9¼	10⅜	9¼	9¾	8¼	10	8	8¾	8½	9½	8⅝	9¼	8½	9¼
American Gas & Electric Co......10	63⅝	68	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New......5	32¼	32¾	31¾	33⅞	31¼	32	30¼	31⅞	29⅞	31⅞	27⅜	30¼	28⅜	30¾	29½	31⅜	28⅞	31¾	31⅛	33½	31⅝	32⅞	32¼	35
American-Hawaiian Steamship Co......10	48	58	52¾	60½	55	60¾	52	57	53	56¼	55¼	57⅜	55½	65¼	58	67	55½	60½	59	63½	58¾	62	59	61
American Hide & Leather Co......1	4¾	5	4⅝	5	4⅜	5⅛	4	4⅝	4⅛	4⅝	3⅞	4¼	3¾	4	3¾	4¼	3⅜	4	3½	4¼	3	3½	2¾	3¼
6% convertible preferred......50	37	38⅛	38¼	38¼	37¾	38½	37½	38	38	39¼	36	37¾	--	--	36	37	--	--	--	--	29	31	26¼	29½
American Home Products Corp......1	36¾	39⅛	36⅝	39¼	37¼	38⅞	36⅝	38½	36⅞	38½	36⅛	38⅛	37¾	39⅝	39⅝	42¼	39½	41	40	42¼	41¾	47	45	48¼
American Ice......*	6⅞	7⅜	7	7⅜	7	8⅛	7⅛	7½	7⅛	8¼	7¼	7⅞	7½	8⅜	7½	8	7½	8¼	7⅞	8¼	8⅛	8¾	8	8⅞
6% non-cum preferred......100	86	91	90	90	90	93	91	93½	92	92	91	91½	90	90	90	92½	90	90	90½	93	90	94	91	93
American International Corp......*	21⅞	22⅞	21¼	22	21¼	21¾	18¾	21¼	18¾	19⅞	18¼	19¼	18	19⅛	18¼	19⅜	16½	17⅝	16½	17½	17½	18¾	17	17¾
American Investment Co of Ill......1	24⅝	25	24⅛	25⅛	24⅜	25¼	23⅝	24⅝	23⅞	24⅜	23	23⅞	23	23½	22¾	23¼	21⅛	22⅞	22	23⅛	22½	23⅛	22⅝	23½
5¼% cumul prior preferred......100	--	--	--	--	103½	104	102	103½	99½	101	99	102	100¼	101	101¼	101	101	101¾	100	102	102½	103½	103	104½
American Locomotive Co......1	17½	18⅜	17⅛	18⅝	17⅛	18⅞	16	17⅞	16	17⅝	14⅞	16⅝	14⅛	15⅝	14	16⅜	12¾	14⅝	12¾	14	13⅝	15½	12½	15⅛
7% preferred......100	96¾	98	98	99½	99	100¾	96¾	99½	95	96¾	91	94	89	92¾	91	92¼	88	92	88½	91	89	91	83½	90
American Machine & Foundry Co......7	20¾	22¼	21½	23⅜	22	24⅞	21⅝	23¼	22¾	24¼	21⅛	23½	21½	22⅞	20¾	23½	19⅛	21½	19⅞	22½	22⅛	24¼	22⅛	23¼
3.90% cum preferred......100	79⅛	82½	81¼	86	83	85	81	82¾	81¼	82½	81	82½	81⅛	82	81¼	82	81⅛	83	83½	84⅞	84½	85½	84½	86½
American Machine & Metals Inc......*	18	19¼	17¾	19⅜	17⅜	19⅜	17¼	18	17¾	19⅛	16⅞	18⅜	17⅜	18¼	16⅝	18½	15¾	17¾	16½	18¼	17¾	19⅜	17¾	19
American Metal Co Ltd......*	23	25¼	23¼	26¼	23	25⅞	19¾	22⅞	19	20½	18⅞	19⅞	18⅞	19⅝	19⅛	21	19	20⅝	19	21¼	19¾	22⅝	19	20⅝
4½% preferred......100	104⅛	104⅝	104	105¾	102½	104¼	98½	102¼	97⅝	100	94½	96¾	96½	101½	101¾	102	100	101	99½	100¾	99	101¼	99	99⅝
American Metal Products Co......2	17⅝	18⅜	17⅝	18½	16½	18½	16⅛	17½	16⅞	17½	15¾	17	15⅞	16⅝	15⅛	16¾	13¾	15⅞	14⅞	16⅜	15⅛	15¾	14⅞	16
American Molasses Co......1	7⅛	7⅝	7⅜	7¾	7½	7¾	7⅜	7¾	7½	7¾	7⅛	7⅞	7¼	7⅝	7⅛	7½	7	7⅝	7	7½	7¼	7½	7⅛	7⅜
American Natural Gas Co......*	33⅛	35⅛	32¾	34⅞	34⅝	37	33⅜	35⅞	32½	35⅛	31¼	34½	32½	33⅝	33½	35½	33⅜	35⅝	35½	37½	37¾	40¼	40⅛	42
American News Co......*	32¾	34	33½	34	33½	37	33⅞	37	34¾	36¾	32½	35	32⅝	34	28	33	27½	29½	25	29	21⅜	26	20¾	23
American Optical Co......*	29¼	30⅞	30⅜	32⅝	32⅞	39⅞	32⅞	36⅜	32¼	35¾	31½	37¼	32½	36⅝	31½	33⅞	30⅛	33⅝	30½	33½	30¼	33½	31	33
Amer Potash & Chem Corp class B......*	34⅛	36½	33½	36	33½	34⅞	31⅝	34⅜	31⅜	34¾	29	32	30	34	30	34	28¼	31	30	32	31⅜	35¼	34½	35¼
American Power & Light Co (ex-dist.)*	2⅜	2⅝	2⅜	2½	2⅜	2½	2⅜	2⅝	2½	2⅝	2⅜	2⅝	2½	2⅝	--	--	--	--	--	--	--	--	--	--
Amer Radiator & Standard Sanitary......5	14¼	15⅛	14½	15⅜	14½	15⅛	14⅛	14¾	14	14½	13½	14⅛	13⅜	13¾	13¼	14¼	12⅜	13⅝	12⅜	13¼	13	14⅛	13⅛	13¾
7% cum preferred......100	171½	171½	169¾	171⅝	169½	171	165	167	154	155	148	151	152	160	161	163¼	161¼	164	168	170⅛	168¾	171½	167½	168
American Safety Razor......5	6	6¾	6½	7¼	6½	7¼	6½	7½	6¾	8⅜	7⅜	8⅞	7	7⅞	6¾	7⅞	6⅝	7¼	6⅝	7⅛	6¾	7	6⅜	7¼
American Seating Co......10	22¼	23½	21¾	23½	20⅛	22½	19¼	20¾	19⅛	19⅞	16⅜	19¼	16¼	19⅜	18⅛	19⅝	17⅞	20⅛	19½	22¼	21¾	24¼	22½	24¼
American Ship Building Co......*	48¾	65½	57½	64¼	56¼	61¼	52¼	56	55	60½	54	57	53¼	54¾	49½	54¾	47½	50½	43¾	48	42½	44½	41¼	45
American Smelting & Refining Co......*	41	44	39½	43	39	41⅝	35¼	39⅜	35	37¾	31⅛	35¼	30¾	33⅛	28½	33½	25½	29⅜	27	29⅜	27½	29⅞	27¾	30¾
7% preferred......100	154	159¼	151	158⅜	147	152⅞	144	148½	145	148¾	136	147	138	146	141½	145	138½	145	142	149	143	147¼	143	146½
American Snuff Co......25	37	39¼	38½	39⅜	38⅛	39	38¼	39	38⅜	39¾	38¾	39¾	39⅛	39¾	39	40¼	37⅞	39	38¼	39¾	38	39¼	35¾	38½
6% non-cum preferred......100	125	126½	123½	127	122½	125	120	124½	123	125	123¾	125½	124	126	126	126½	121	122	122	124	122	124½	117¼	121½
American Steel Foundries......*	32¾	35⅛	32⅝	34¼	33½	36	32	33¾	33	34⅝	31	33⅜	31½	32⅜	28	32¾	25⅝	29¼	26⅝	29⅝	27	29½	26⅛	29⅜
American Stores Co......1	38⅜	39⅞	38	39⅜	38½	39¼	38⅜	40	38⅞	40	38½	40⅛	39⅞	41¼	41¼	45	41	43	40⅛	44	43½	47¾	44½	47¾
American Sugar Refining Co......100	52	56¾	52¾	54	52½	57½	54	56½	55	58	50½	54½	50⅜	52	51	52	49	53¼	49⅛	51⅛	50	51	50	52
7% cum preferred......100	130⅝	133	131	134	129	132¾	124¾	132¾	126	128¼	121	127¾	121¼	124	122½	125¾	120½	125¾	121¼	127	121	124	121¼	126¾
American Sumatra Tobacco Corp......5	13¼	14½	13	14¼	12½	13⅝	12	13	13	14⅞	13½	14¼	13⅞	16¾	14⅛	16½	13¼	14⅜	13	14	13½	14⅜	13⅜	14½
American Telephone & Telegraph......100	158⅞	161¼	158⅝	160½	155¾	160½	153⅜	156½	154⅝	156¾	152⅛	155⅝	153⅜	155⅛	154	155¾	152½	155⅞	153	156⅝	153⅞	157⅜	155⅜	157⅞
Rights	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	2 5/16	2 13/16	2 3/16	2 3/16	2½	2⅝
American Tobacco Co......25	65	70	66¼	72½	68	74¾	68⅜	73⅝	72⅛	74	69⅛	74	73⅝	77½	73	77⅝	70¾	75	71½	76¼	65⅛	72⅛	59⅛	67⅛
6% preferred......100	133	138¼	134¼	137	134	138	132	135¾	132¾	136¾	130¼	135¼	132½	137¼	133½	137¼	134⅝	138½	137	143½	137½	143¼	127	140½
American Viscose Corp......25	55⅝	60¾	52½	57¼	51⅞	55¼	45⅝	52¾	42¾	47½	40½	44⅝	42¼	45⅜	41¼	45⅜	37⅝	42¾	35⅛	39⅝	35¼	39¾	35¼	37¾
5% preferred......100	117¾	119	117¼	119	117	118¾	115	118	114¾	116¼	112¼	115	114¾	116½	114	116⅜	113½	116½	116⅛	118½	113½	117	111½	114¾
American Water Works Co Inc......5	9⅝	10⅝	10⅛	10⅞	10	10⅜	9½	10¼	9⅛	9¾	9	9½	9⅛	9⅜	9¼	10	9	9⅝	9	9¾	9⅛	9¾	9⅝	10½
American Woolen Co......*	25⅝	27½	23⅛	26⅝	23½	26⅞	20	23¾	20⅜	21½	20	22⅝	18¼	21⅞	16	19½	13⅜	17¾	14⅜	16⅝	14⅜	16⅜	14⅝	17⅞
7% cum preferred......100	84	87	82⅝	86	84½	88¼	81¾	87½	79½	81¾	80¼	84	79¼	81½	74	80	57	73¾	61	70½	62	68½	66½	94⅝
$4 cum conv prior preference......*	70½	76¾	66¼	71¼	68	77½	68	70½	68¾	72¾	68⅜	73½	67	70½	66	68½	59	72	65	70	65¾	74¾	68	92⅝
American Zinc Lead & Smelting Co......1	18½	21⅜	17½	19	16⅞	18½	14	17	14⅞	16¼	14¼	15⅝	13¾	15¼	13¾	15⅝	11¾	14	12⅛	13⅜	13	14⅜	12	14¼
$5 prior convertible preferred......25	95	97	92	95½	88¾	93½	83	88	82	84½	80	84¾	77	79½	73¾	78	68	74	68¾	71¾	70¼	76¾	73	78
Anaconda Copper Mining Co......50	42⅝	44⅞	41¾	45¾	38⅜	44¾	36⅞	40⅛	36¾	38⅜	34¼	37¾	31⅛	34⅞	32	34	29⅝	32¾	29⅞	32⅜	31	33½	29	32¼
Anaconda Wire & Cable......*	48½	57	51⅜	55¾	48½	54⅞	46¼	50¼	47⅛	51⅜	46	51	46⅜	51	46½	49	43¼	47⅞	46¼	49½	47½	50¼	45¼	58⅞
Anchor Hocking Glass Corp......6.25	26¼	29⅝	27⅛	29½	27	28⅞	28	30⅝	29	30⅜	26¾	28⅞	26¼	28⅝	25⅛	28¼	25⅛	26¾	25½	28⅞	28½	30⅞	28¼	31¼
$4 preferred......*	103½	104	104	104⅜	103	106½	102	102	101	102	94	101	95	97	96	100	96	100	100	100⅜	100¼	101	98	100
Anderson Clayton & Co......21.80	42½	45	41	43	40⅛	41½	38¼	40¼	37	38¾	34½	37½	33⅝	34½	34	35¾	32¼	35	32¼	33	32	32¾	32⅛	35¼
Anderson Prichard Oil Corp......10	43¾	47⅜	41¼	44⅝	44	50½	47⅛	56¼	53⅞	57¾	48¾	56¼	47½	52½	42⅛	50⅜	40¾	45¼	42	44½	41⅛	44½	42⅜	46¼
Andes Copper Mining Co......14	12⅝	14⅞	13	15⅞	13	15⅞	12	13¼	11⅞	12¾	11	11½	9	11⅛	9⅜	10⅛	8¾	10⅛	9½	10⅛	8⅞	10	8	9½
A P W Products Inc......5	4⅞	5	4¼	4⅞	4⅝	5	4⅛	4⅝	3¾	4	3½	3¾	3½	3¾	3⅜	3½	2¾	3⅛	3	3¼	2⅝	3¼	3	4⅛
Archer-Daniels-Midland......*	50	52	45¼	51⅜	43¼	47	40⅛	44½	38¼	41¾	35	39	35½	37¼	31	36½	30	32¾	31⅝	36⅜	32	34	32½	34⅝
Argo Oil Corp......5	17¼	18¾	16⅞	17⅞	17⅛	23¾	18⅝	23⅛	18½	20	16¼	19½	17¾	19⅛	16⅝	20¼	16	17¾	16⅜	20⅜	17¾	20⅛	17¼	18⅞
Armco Steel Corp common......10	40⅞	43⅜	38⅞	42½	39	42½	37⅞	40	37⅝	39⅞	35⅛	37⅜	36½	38	33½	38⅝	30⅝	34⅛	32	35⅞	33⅛	35¼	32¾	35⅛
Armour & Co......5	10½	12⅛	11	12	10¾	12⅝	10½	11¾	10¾	11¾	10	11⅝	10	10⅞	8¾	10½	8⅛	9¼	8⅝	9⅛	8⅝	9⅜	8¾	9⅝
$6 convertible prior preferred......*	83	89¼	87½	90½	88	93	88½	91½	89	91	85½	90	88¼	90	85	89½	77	85½	81	86	83	85	84	87
Armstrong Cork Co......*	52¼	53¾	48¾	52⅞	50	54⅜	52½	54½	53	55½	52	54¾	51⅛	53⅞	52	53⅞	49¾	52½	51⅞	53¼	52⅜	55½	55½	59⅝
$3.75 cum preferred......*	95¾	97	94¼	96¾	93⅛	94¾	92½	93⅝	91½	93½	90	92½	90¼	92⅞	90¼	92¾	89½	91½	91	94¾	92¼	94½	91¾	93½
$4 preferred convertible......*	111	112	108½	110⅝	108⅜	111¾	109	111⅝	108¼	112½	107	110	105	107½	104½	108½	102½	105½	104½	106¾	107	110⅜	110½	119
Arnold Constable Corp......5	17½	19⅛	17	17½	16¾	17⅛	16⅝	17	16½	16⅝	16½	16½	16½	17¼	16¾	16¾	16¾	17	17	17	17	17	16½	17¼
Artloom Carpet Co Inc......*	9⅛	10⅜	9⅜	10⅜	9⅞	10½	9⅛	10	9	9¼	7⅝	8¾	7¾	8⅛	7	8	7	7½	7	7¼	5¾	7⅛	5⅛	5⅞
Arvin Industries Inc......2.50	31	32¾	29½	31½	29	32	28¾	30	29	30¾	26¼	28¼	26	27½	25¾	28⅛	25½	26¾	26¼	28	26¼	27¼	25⅝	27
Ashland Oil & Refining Co com......1	15⅛	17¾	15	16⅛	15¼	18½	15¾	17⅝	15½	16⅞	14⅛	15⅝	14	15⅛	12	14¾	11⅛	13	11⅝	12⅜	11½	12⅛	11⅛	11⅞
2nd preferred $1.50 series......*	26½	28½	26	28	26⅛	29	26⅞	28	26¾	27⅞	25⅝	27	26⅛	26⅞	24¼	26¼	23⅛	24⅞	23½	24⅛	22⅜	24	22	23¼
Associated Dry Goods Corp......1	20	21½	19½	21¼	20⅝	22⅛	19¾	21	19¾	21	19⅝	20⅝	19⅝	20¼	19	21⅛	18⅛	19¾	19⅛	19⅞	18½	20⅛	18⅛	19¼
5.25% cum 1st preferred......100	97	100	97	99	96¼	97¼	96	97½	95	97½	93	95	91½	92½	90	94	89¼	91¾	92	94½	92½	95	93½	96½
6% cum 2nd preferred......100	96	97¼	96	97	96	98¼	97⅛	99½	96½	98½	95	98	92½	94¾	92½	97½	94½	96½	95	97	95½	98¾	95½	98½
Associates Investment Co......10	84	91¼	87	93½	91	94½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New......10	--	--	--	--	30⅞	32	28¼	31	29⅛	31⅝	27¼	31	26½	28½	26⅝	29¼	25½	27¼	25½	30	29¼	31¾	30¾	31⅞
Atchison Topeka & Santa Fe Ry Co......50	98	103	95¾	100½	96¼	101¾	90⅛	97¾	91¼	97⅜	88¼	95½	92	96¾	89½	96	86	91¾	88¼	93⅜	90	98¼	92½	98⅞
5% non-cum preferred......50	56	57¼	54	56⅞	54	55⅝	52	54¾	52	54⅛	50¼	52	51¼	53¼	52½	53½	51¾	53	52½	54½	52¾	55⅝	52⅞	56
Atlantic City Electric Co......10	26½	28½	25⅜	27	26½	27¾	26¼	27¾	26⅛	27	25⅜	27	26¾	28	27¼	28¼	27⅜	28⅝	27¾	28½	27¾	30½	29¼	30½
4% preferred......100	94½	96½	94¼	96½	95¼	97¾	93	97¾	93	94¼	89	93¼	88½	92	91¾	92¾	91	92	90	94¾	92½	93¾	90	92½
Atlantic Coast Line RR Co......*	113	119¾	111	118¾	109	118½	103½	111½	98½	107	95¼	103¾	96½	106	87½	101½	83⅝	91	85¾	90½	87	93½	83¼	92½
Atlantic Gulf & West Ind S S Lines......1	111	112½	112½	113½	110	114	107½	110½	110	114	105	109	106½	107	107	109	103	107½	97	106	100	100	--	--
Ex liquidating distribution......	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	49	55	57	58¾
Atlantic Refining Co......10	31½	33¾	30¼	32⅛	29⅜	31⅝	28⅛	30⅜	28⅜	29⅞	27⅜	29⅛	28	29⅞	27	30¾	25⅝	28	26⅝	30⅛	26⅞	30⅛	27½	29
Preferred $3.75 series B......100	96	99	94½	97½	92¼	95¾	90	93⅝	90¾	93	90	92¼	89¾	95½	91	93½	91	92½	92	96	94	96¾	94	95¾
Atlas Corp......5	30	30¼	29¾	30⅜	30	30¼	29½	30⅛	29½	30	28½	29¾	29	29¼	28¾	29⅜	28¾	29⅜	29	29⅜	28¾	29⅜	29	29⅛
Atlas Powder Co......20	33⅛	35⅞	33	34½	33⅝	36¼	31¼	34⅝	32½	33¾	31¾	33½	31¾	33¼	32	34¼	31½	32¾	31½	34½	32½	34¼	33½	35¼
4% convertible preferred ser A......100	105	107½	105½	106½	105	108½	105	106¾	100¾	105	97½	101	94¼	98	98	100½	99	99¾	98¾	100	100	102	101	104¼
Atlas Tack Corp......*	23¼	27	22½	23	22½	23¼	21½	22½	18	21	17	18¼	17¾	18	17	18½	17	17¼	17	17	17	17¼	16⅞	17
Austin Nichols & Co Inc......*	6⅞	7⅛	6¼	6¾	6¾	7⅜	6⅝	7	6⅜	7	6⅛	6¾	6⅛	7	6	6⅝	5⅛	6	5⅝	6	5⅝	6	4⅝	5¾
Cum conv prior preferred ($1.20)......*	--	--	15½	15½	15⅜	16½	15¼	16	15⅛	15¾	15¼	15¼	15¼	15¾	15½	16	15½	15¾	15½	15½	15¼	15⅜	15	15¼
Autocar Co (The)......5c	7¾	9	8⅝	10⅜	9⅜	11⅝	8½	9⅞	8⅞	10½	8¾	10	9½	10¾	9½	10¾	8¾	10¼	--	--	--	--	--	--
Automatic Canteen Co of America......5	13⅞	15⅛	14⅝	17¼	16⅛	17¾	15⅜	16½	15½	16¼	15	16¾	16	16⅜	15	16⅝	14½	15½	15	16	15⅛	15¾	15⅛	16¼
Avco Manufacturing Corp......3	7¾	8⅜	8	8¾	8	8¾	7½	8⅛	7½	7¾	7	7⅝	6⅞	7¼	5½	7	5⅛	5⅞	5⅛	5¾	5	5⅜	4½	5⅛
$2.25 cum conv preferred......*	48⅜	50⅝	48½	52¼	48¾	52¼	46¾	48¾	45¾	47	43½	45⅜	42½	44	37	42⅝	36¾	40	37¼	39½	38	39¼	36⅛	38½

B

STOCKS	Jan Low	Jan High	Feb Low	Feb High	Mar Low	Mar High	Apr Low	Apr High	May Low	May High	Jun Low	Jun High	Jul Low	Jul High	Aug Low	Aug High	Sep Low	Sep High	Oct Low	Oct High	Nov Low	Nov High	Dec Low	Dec High
Babbitt (B T) Inc......1	6	7	6⅝	6⅞	6⅜	6¾	6	6¾	6⅛	6½	5¾	6⅛	5½	5⅞	5½	5¾	4¾	5⅝	4¾	5	4⅝	5⅛	4⅛	4⅞
Babcock & Wilcox Co (The)......*	35¾	38¼	37¾	39½	38	42⅜	37½	39⅝	37⅞	40½	37¼	39⅜	37¼	40¼	37⅞	41¾	35¾	39	38	41⅝	41⅝	45⅜	41	45¾
Baldwin-Lima-Hamilton Corp......13	10	10½	10	11½	11⅛	11⅞	10	11⅜	10⅛	10¾	9⅝	10⅜	9⅝	10¼	8⅝	10	8	9	8¼	8¾	8¼	8⅝	8¼	9⅛
Baltimore & Ohio RR Co......100	27¼	29¼	25¾	28⅞	26¾	30¼	24¾	28¼	25	27¼	22⅝	26	23¾	25¾	22¼	26⅜	20⅛	23⅛	20	22⅝	20⅝	22½	18⅜	22⅛
4% non-cumulative preferred......100	46¼	47¾	45⅛	47⅛	45¼	48⅝	45	47	45⅛	47⅝	44	46½	46⅛	47¼	44⅝	47⅜	43⅛	47	46	48½	41¾	44	39	42½
Bangor & Aroostook RR Co......50	21	22½	20⅜	22¼	21	22⅝	20⅛	21¼	20⅝	21⅛	19¼	21	18⅞	20	18½	20	16½	18½	17	18	17	17½	16	17¼
5% convertible preferred......100	70½	73¼	72	73⅝	73¾	76½	71	73	70½	72	67	70½	70	72	70	71¾	67½	69½	69	71½	67⅞	70	67	70
Barber Oil Corp......10	50½	56	49	53¼	49½	59⅝	52	59¾	53	57½	49⅛	53	47	50¾	41½	50¾	38	43½	39	41¾	40⅛	48	42	45¾
Barker Bros Corp......10	16	17⅛	16⅜	16⅞	16	17¾	16⅛	16⅞	15¾	16½	15⅛	16⅛	15	15⅞	15	15⅜	13⅝	15¼	12⅜	13¾	12	12¾	11⅛	13½
4½% cum preferred......50	38	39	38½	39½	38½	39½	38¼	39	38⅝	39½	38	39	38	38½	38	38	37½	38	37½	37½	37½	37½	37½	37½
Bath Iron Works Corp......10	22½	23⅞	22⅝	24¼	22¼	25⅜	21¾	22⅞	22⅛	23	20½	22⅝	20	20⅞	20¼	21½	18¾	21⅛	19	20⅞	19¾	21⅝	19⅝	21⅝
Bayuk Cigars Inc......*	10½	11⅛	9⅞	11⅜	10⅛	11⅜	10⅛	10½	10¼	11	9⅞	10⅝	10⅛	10¾	10	10¾	9⅛	10	9⅜	10	9⅜	10	9¼	9¾
Beatrice Foods Co......12.50	39	40	38½	39⅝	37½	39¼	36	38	34⅜	36	34⅝	36¼	35⅛	38¾	38	39½	36¼	39¼	38¼	40¼	39½	41½	40½	42¾
"When issued"......	--	--	--	--	--	--	--	--	--	--	--	--	37⅜	38½	38	38½	--	--	--	--	--	--	--	--
3⅜% cum conv preferred......100	104	106	103½	105	102	104	96	102	93½	95	93	95¼	93½	101½	101¼	103	97½	101½	101¼	106¾	106½	108	108	112¾
4½% preferred......100	--	--	--	--	--	--	--	--	--	--	--	--	90⅜	94¼	91½	95	90½	93¾	93½	97	96½	99¼	98¼	100
Beaunit Mills Inc......2.50	18	19½	17⅝	19⅝	19⅞	22¼	19½	21¼	18⅞	20⅛	18¼	19⅞	18½	19⅞	17½	20⅜	16½	17½	16¾	18	14⅝	16⅞	14¼	15½
Beck (A S) Shoe Corp 4¾% cum pfd......100	79½	82	82	82	80	82	81	85	83	86¾	83	85	83	86	80	82½	79⅛	81	80⅛	83	80½	81½	78	81
Beech Aircraft Corp......1	14⅜	16⅛	14⅝	16⅛	14	16¾	13⅛	14⅝	13⅛	14¼	11⅜	13¼	10¾	11¾	9¾	11¼	9	10⅞	9⅛	11¾	9⅝	10⅞	9¾	10⅞
Beech Creek RR Co (gtd)......50	32	33½	33	33½	32½	33½	32	33¼	31	33	31½	32⅞	32¼	33¼	33	33⅜	32⅛	33	33	33¼	33	33⅜	32⅝	33
Beech-Nut Packing Co......10	28⅛	30⅛	27	29⅞	28¾	30⅜	27½	29¾	28¾	30½	28	30¼	28⅛	30	28¼	29¼	27½	29¼	28	29	28⅛	29⅝	28¼	30
Belding-Heminway Co Inc (Del)......1	12	13⅛	12	13¼	12⅞	14	12¼	13	11¼	12¾	11⅜	12	11¼	12	11¾	12½	11	12	10⅜	11¼	10½	11	10⅛	10¾
Bell Aircraft Corp......1	21½	25½	23⅞	23⅞	22⅛	26¾	20⅞	23	21½	24⅝	20¼	23¾	20⅛	21⅝	20	22⅝	17¾	20¾	19¾	23⅛	22⅝	25	22¾	25⅛

For footnotes see page 15.

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STOCKS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Bell & Howell Co 10	20⅛	22	19¾	20⅞	19⅝	22½	19¼	21¼	19½	20¾	19¼	20¾	18½	20¼	16¼	19	16⅛	17¼	16	18⅜	18	20½	18½	21⅜
4¼% preferred series 100	92¾	93	--	--	90⅛	90⅞	91⅜	91⅜	90	92½	92	92	91	92	91¼	92	91½	92	91½	91½	92	92	91½	91½
Bendix Aviation Corp 5	59	63⅞	61¼	67¼	61¾	68¼	57	63¼	58¾	63⅜	55¾	60½	54⅛	59	54½	58½	50	56⅝	56	62¼	60¼	64⅞	60⅛	63¾
Beneficial Loan Corp common 10	36⅛	37⅝	37	38	35½	37¾	34⅛	36¼	34⅛	37½	33⅛	37¼	33¾	35¾	35⅛	37⅜	34	37	34⅜	37	36⅛	37½	37½	39¾
Common rights	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1 1/32	1 3/32	--	--	--	--
Cum pfd $3.25 div series of 1946 *	103	105½	104½	107½	104	106½	96	101	98	104	93	104	96	98	99	104	97	104	102	105	103½	108¼	108¾	112
Benguet Cons Mines 1 peso	1⅜	1¾	1⅜	1⅝	1⅜	1⅝	1⅜	1½	1¼	1½	1⅛	1⅜	1⅛	1¼	1⅛	1¼	1	1¼	1	1⅛	1	1⅛	⅞	1⅛
Best & Co Inc 1	25¾	27⅜	25⅜	26½	25½	26¼	25½	26½	25⅜	26¼	25⅛	26⅜	25⅛	26	25⅛	25⅞	24⅞	25¾	24⅝	25¾	22⅝	24¾	23¼	24⅝
Best Foods Inc (The) 1	36	37½	35	37⅜	33⅝	35⅝	33⅛	35	34½	37	35⅛	37¼	35⅜	36⅜	33½	36¾	30¾	34½	30	31¾	30	31½	30⅛	31¼
Bethlehem Steel Corp (Del) *	54⅛	57¾	52¼	57	51¼	56⅝	49½	53⅜	50⅝	53¾	49	51⅞	50⅜	53¼	47⅛	53⅜	44⅜	48½	46⅛	51⅞	49⅛	51¼	49⅛	52⅝
7% preferred 100	142	144	141¼	144¼	142	144¼	138¾	142	135¾	141	135¼	137	136½	139½	139½	140½	136	138⅜	137½	141	142	143½	143¼	146¾
Bigelow Sanford Carpet Co Inc 5	14⅞	16	14	15½	14⅜	15½	13¾	14¾	13¾	15⅜	12⅝	13¾	12¼	13⅛	12⅛	14¼	11¼	12½	11½	12⅜	10½	12⅛	9⅞	11⅛
4½% preferred series of 1951 100	79	82½	80½	82½	76½	81½	74	77½	73	75½	71¼	74½	70⅛	74	68⅞	75	67⅛	69¾	63	69¾	66	69¾	65	69
Black & Decker Mfg Co *	34½	36⅞	34⅛	35	34¼	35½	31⅝	35¼	32	35½	33⅞	36	33½	35½	34¾	38¼	33½	36¾	33¾	35¾	35	37	35½	37½
Blaw-Knox Co *	18⅜	19¾	19⅛	20⅝	20	22¼	19⅛	20¾	19⅝	21¼	17⅜	20⅛	17⅛	18¾	15¾	19⅛	15⅜	16⅞	15⅞	17⅞	16⅛	18⅛	16½	17¾
Bliss (E W) Co 1	16½	21¾	15½	18¼	16¾	18¼	15⅝	17	15¼	16⅝	14¼	15⅝	13⅝	15	12⅞	15⅛	12¼	13½	13	14	13¼	14⅜	14⅛	16¼
Bliss & Laughlin Inc 2.50	20½	22¼	21¾	23½	22	24¼	20⅞	22⅛	20¾	22	21¼	22¼	22	23	22	23	19⅛	22	20¾	24	23	24¾	23½	27
Blockson Chemical Co 7.50	23¼	25	22¾	24⅛	23⅞	27¼	24⅜	26	24½	26	22⅞	25⅜	23⅞	25¾	24	26¼	22½	24¼	25	27⅜	27¼	28¼	27½	28⅞
Boeing Airplane Co 5	39⅝	46¾	44	48⅛	41	48½	39⅛	43⅞	40½	43¾	38	41⅞	36½	40¼	38¾	41⅝	36⅞	43½	42⅛	49	43⅜	48⅝	45¾	50¼
Bohn Aluminum & Brass Corp 5	19½	21¼	19¾	21	20¾	23⅛	19¼	21	19⅜	20	17¾	19⅝	18½	19¾	16¾	19¾	16⅛	19¾	18¾	22	21	22¼	19½	22½
Bon Ami Co (The) common A *	21½	25	24½	27	25¼	29¼	27	28⅞	24⅛	27⅜	23	25½	24	27¼	25	27	22⅝	25	22⅝	24½	22¾	24	22	23½
Common B *	7	7¾	7⅞	9⅝	8⅝	12¼	9½	10⅜	8⅛	9¾	8	8½	8⅛	9½	7½	8½	6⅝	7⅝	6¾	7¾	7	7¼	6½	7
Bond Stores Inc 1	13¼	14⅜	13	14	13¼	14⅛	13½	14⅛	13⅝	14	12⅝	13⅝	12¾	13⅞	13⅜	14¾	12½	13¾	13⅛	13½	13⅛	13¾	13	14
Book-of-the-Month Club Inc 1.25	11	11½	11¼	11¾	11⅜	12	11⅛	11¾	11⅛	11⅞	11½	11⅞	11¼	11⅝	11⅜	11¾	11¼	11⅞	11¼	11⅝	11½	11⅞	11¼	12
Borden Co (The) 15	52½	56	54½	57¼	55⅜	58⅛	54¾	57	53⅞	56⅝	54	55⅝	54¾	56¼	55⅜	58½	54½	58	56¾	60½	56	59¾	57½	61¾
Borg-Warner Corp 5	78⅛	81¼	75⅞	78½	78¼	86	78	82¾	78½	83½	74¼	78¾	70½	75¼	66	73⅞	64¾	68¾	66	72	71½	76½	71⅞	76¾
3½% cum preferred 100	92⅛	94½	92	92⅛	90	93	90	91½	88	90	86⅜	90	87¾	90	89¼	90¼	89⅛	91½	91	92½	92¾	93¾	92¼	93½
Boston Edison Co 25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	48⅛	49⅜	48⅜	50
Boston & Maine RR com 100	12⅝	13½	12¾	13⅛	12¾	13⅞	10¾	13⅞	10¾	12	9¼	10¾	8⅞	10⅛	8	10⅛	7	8⅜	7⅛	8¾	7¾	8⅝	5¾	8
5% preferred 100	44½	44⅝	43½	44¼	43½	46	40¼	46¼	38½	41⅝	36	40	37	40¾	36½	40½	33⅞	37¼	35	39⅞	39⅝	43⅞	26½	43¼
Bower Roller Bearing Co 5	31¼	32¾	30⅞	31⅝	31⅝	33	29½	32½	29½	31	25¾	29½	26	27½	26⅛	27¼	25	26⅝	25¼	28⅜	26¾	28½	25¼	27¼
Braniff Airways Inc 2.50	10⅛	11⅛	10	10¾	9¾	10¾	9	10	9⅛	9½	8¼	9⅜	7¾	8⅝	7⅛	8¾	6⅛	7⅜	6¾	7¼	6½	7¼	5⅞	7⅜
Bridgeport Brass Co 5	21½	23¼	22	25⅜	22⅛	25⅞	22⅛	23⅝	23	24⅝	22⅛	24½	23	24½	23⅛	25⅛	19⅝	24	21	24⅞	22⅛	25	23	24⅝
Rights	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	⅜	9/16	½	9/16
Briggs Manufacturing *	37	42½	39½	42¾	37¼	42½	36	39	36⅛	40¾	35	39¼	35	36½	33⅛	37	28	34	28⅝	37½	34¾	39⅝	35¾	39¾
Briggs & Stratton Corp *	35½	38	35⅝	38	35½	38¼	34½	36¾	35	38¼	35½	37¾	36⅛	38¼	36	39⅝	33¼	37	34	36¼	35¾	38¼	36½	38
Bristol-Myers Co 2.50	25	26⅝	22	25⅛	22¼	23¼	21⅝	22⅜	20⅝	22	18⅝	21¼	18⅞	20¼	18⅞	20½	17½	19¼	17⅞	19⅜	18⅝	21⅝	18⅝	21⅝
3¾% preferred 100	96¼	99	99⅜	99⅜	94	98½	93½	95	91	93	--	--	92	93	92	92¾	92	92	93½	93½	93	93½	94	94
Brooklyn Union Gas *	25⅞	27¼	25⅝	26¾	25⅛	26¼	24	25⅜	23½	24¼	22½	23¾	23	24	23½	24⅜	23⅛	25¾	24¾	26½	25	26½	26	27¼
5% cum conv preferred 40	51½	54	52	52¼	50	52	48½	50⅛	46¾	48	45½	47	46	47½	47½	49	46¾	51¼	51½	52½	50½	52	51½	54¼
Brown & Bigelow 1	11¾	12⅝	12¼	12¾	12¼	12¾	12¼	12⅝	12⅜	12⅞	11¾	12⅝	12⅛	13⅜	12⅛	12⅞	11⅝	12⅜	11⅝	12	11⅞	12½	12	12⅜
Brown Shoe Co Inc 15	62	66½	62¾	65⅜	64½	65½	63½	64½	62	64	60	63	59½	61	61	63¼	60	61	60	62	61	62	61¼	64
Brunswick-Balke-Collender Co *	18¼	19¾	18½	20	19⅞	22½	19	21	17⅞	19¼	17¾	18¼	17¾	18¼	16⅞	18⅛	15¼	17	15	16⅛	13¼	15¼	13⅜	14⅝
Bucyrus-Erie Co 5	24⅝	27	25⅛	27¼	25⅛	27⅞	25⅜	27¼	26¼	28⅝	25¾	27⅜	24¾	27¼	22¼	25⅞	20¼	23½	20¾	22½	21¾	24½	20⅞	23⅝
Budd Company (The) *	15¼	16¼	14⅞	16⅛	15¼	16¾	14¼	15½	14⅜	15¼	12⅞	14⅝	13⅛	14⅛	11⅞	14¼	10¾	12½	11	11¾	10⅞	11⅝	10¾	12⅜
$5 preferred *	78¾	79½	80½	83¼	81½	82½	81¼	82	79¾	80¼	76	79	78¾	79	79½	81½	76	80½	75	76	73¾	75½	72½	74½
Buffalo Forge Co 1	47⅜	51⅛	49¾	52½	49	54½	47	50½	50½	52¾	49	51½	50	51½	49	52	46	49½	47¼	48¾	49	51	51	59
Bullard Co 10	17½	18⅜	17½	22⅜	21¼	25½	21⅝	23¼	22¾	24¼	19¼	23	19	23½	22	24⅝	19⅜	25¾	25	27⅜	27	31⅞	25⅛	28⅜
Bulova Watch Co Inc 5	38	40	39⅞	43	41¾	43¼	39	41⅝	38	39⅝	35¾	38	37¼	39⅛	38½	39	35⅞	38⅜	36⅞	38½	37⅞	39¼	37⅜	38½
Burlington Mills Corp 1	14½	17	13¾	14⅝	12¾	14½	12½	13⅜	12¾	13⅜	12¼	13⅛	12	13¼	11⅞	13⅝	11½	12	10¾	12⅛	10¾	11½	10¼	11⅜
4% preferred 100	89½	91½	88¼	90	86¼	87¼	82	85	80	83	74	80¼	77¼	79	79	81½	78	81	79	81	80	82	82	84
3½% preferred 100	78	78	--	--	--	--	--	--	--	--	67	67	--	--	--	--	--	--	--	--	--	--	70	70
Burroughs 5	16⅜	17½	16⅝	17⅝	16½	17	16	16¾	15	16¼	14⅝	15⅜	14⅜	14⅞	13⅞	15	13½	14⅜	14¼	15	13¾	15⅛	13⅞	15⅞
Bush Terminal Bldg 7% pfd 100	125	125½	127	127	129	130	128½	129	132	132	134	135	133	133	--	--	130	130	130	132	11½	12¼	11	12
5% Prior preferred 50	35	37½	36¼	38	36⅜	37½	37⅛	37½	36½	37⅛	35⅝	38½	38¾	40	38	40	37	37⅝	35⅞	37	135	144	116	146
Bush Terminal Co 1	14	14¾	14	14⅝	14⅜	15	13	14½	12½	13¼	12⅛	12⅝	12⅛	12½	12	12⅝	11¼	12⅛	11	12	36½	38	38	38¾
Butler Brothers 15	14¾	15¾	14½	15⅞	13½	14¾	13¼	14¼	13½	14⅞	13⅛	13¾	12¾	13½	12⅝	13½	11¼	13¾	12¾	13½	12¾	13⅝	11¼	13⅜
4½% preferred series 100	82½	85	83⅜	84½	84	86	84½	85¾	83¾	85	80¼	85	79¼	82	79	81	79	82	80½	81¾	80¾	82½	79¼	81
Butte Copper & Zinc Co 5	9½	11	10⅝	12⅜	9¼	11⅞	8½	9½	8¾	9⅝	8⅛	9⅜	8	8⅜	7	8½	5⅝	7⅜	6⅝	7⅞	7¼	8⅞	7	8¾
Byers (A M) Co *	23	24¼	23½	26⅜	24½	27⅜	23⅜	26¼	24⅝	26¾	22⅝	24½	22¼	24	21⅛	24⅛	19¾	21⅞	20½	22	20⅝	22	16½	22
7% cum part preferred 100	105	107½	106	107½	108	109½	106½	109	107½	108½	106	107⅞	105½	108	106½	106¾	103½	106½	102¼	105	102½	105⅞	103¼	105⅞
Byron-Jackson Co 10	20¾	22¼	21	22¼	21⅛	24⅛	20⅛	21¾	19¾	20⅝	18¾	19⅞	18¾	20¼	17¼	19⅝	16¼	17⅝	16¾	17⅞	17	18½	16⅜	18

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STOCKS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
California Packing 5	26¼	27⅝	25⅝	26⅞	25½	26½	25⅛	26⅞	24⅛	25¾	22⅞	24⅛	23¼	24⅞	23	25⅜	21¼	23⅞	20⅝	23⅛	22¼	24⅜	21⅝	24¼
Callahan Zinc-Lead Inc 1	2	2⅜	2	3⅛	2¼	3¼	2⅛	2½	2⅛	2½	2	2¼	1⅞	2⅛	1¾	2	1⅜	1⅞	1⅜	1⅝	1⅜	1½	1⅛	1½
Calumet & Hecla 5	8	8¾	8¼	9⅝	8⅛	9¾	7⅝	8½	8⅛	8⅜	7½	8¼	7¾	8⅝	7⅜	8⅜	6¼	7½	6¾	8	7¾	8¼	7⅛	7⅞
Campbell Wyant & Cannon Fdry Co *	24¾	27¾	25½	27⅝	24½	27⅜	24	25	23⅝	24¾	22¾	24¼	22½	24⅛	22	23¼	20¼	22¼	20½	22⅜	20¾	22	20¼	21⅞
Canada Dry Ginger Ale Inc 1.66⅔	10¾	12⅛	11½	13¼	12	13⅜	11⅞	12⅞	12⅛	13	11½	12½	12⅛	13	10¾	13	10	11	10⅝	11⅝	11	11¾	11½	12⅞
$4.25 conv pfd *	92½	102	97	101¼	97½	100	96	98¼	94	95	90	91½	92¾	95¾	92	94½	87¾	93½	86¼	90½	88½	91	88⅜	92
Canada Southern Ry Co 100	46¾	48	47	48	48⅜	49½	49½	50½	50½	52	50	52	50	52	51½	51¾	51½	53	51⅜	53	53	54½	53	54½
Canadian Breweries Ltd *	18⅝	19⅞	19⅛	20¼	18½	19½	17⅜	18⅞	18½	19	18¾	19	19⅝	20½	20½	21¼	19½	20½	20¼	20¾	20¼	21¾	21¼	22
Canadian Pacific Ry Co 25	31½	34	30⅜	32½	29¾	32⅝	26½	30½	26⅜	28⅜	24⅞	27⅛	25⅜	27⅜	22¾	26¾	21⅝	24⅜	22⅝	24	22	23⅞	21	23⅝
Cannon Mills Co *	50½	54	48¾	51½	48½	51¾	47	49	46¾	47¾	46¼	47½	47	48¾	46	48	44⅜	46	44½	45⅝	44⅜	45½	43¼	44½
Capital Admin Co Ltd class A 1	27¾	31¼	29¼	31¼	30	32	28½	29¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
$3 preferred series A 10	55½	56¾	55	56⅜	54½	56¼	54⅝	55	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Capital Airlines Inc 1	11⅞	13½	12⅛	13⅜	12⅜	13⅛	11⅛	12⅝	11⅞	12⅞	11	12¼	11⅝	13⅛	10¼	12½	9¼	10¾	9½	10⅜	9⅛	10⅛	8½	10⅛
Carborundum Co (The) 5	--	--	--	--	--	--	--	--	28⅜	30	26¾	29⅛	26	28¼	26¾	29½	23⅜	26⅝	24⅜	28	27	29¾	26⅜	28⅝
Carey (Philip) Mfg Co 10	17⅜	18½	17½	18⅜	18	19¼	18	19⅛	18¼	19½	17¼	18⅜	17⅜	18¼	17	18⅞	16⅝	17½	16⅝	17½	17⅛	17¾	16¾	17½
Carolina Clinchfield & Ohio Ry 100	110½	111¾	110¾	111¼	111	113½	104½	112½	103¾	106	103½	105½	103¼	104½	103½	106	104½	106	105¼	109	107¾	109	107¾	109
Carolina Power & Light Co *	37½	40⅛	39	41½	41¼	43	38	40¾	37½	39⅝	34½	38	35⅛	38¼	38	39¼	36	39	38¾	40½	39	40	39⅝	45
Carpenter Steel Co 5	44½	49	46½	48¼	45½	47¼	42	45	43¼	46¼	42⅛	43¾	42	44¼	40	45	39⅛	42	39½	41⅞	41⅛	43½	39½	42
Carrier Corporation 10	34½	37½	36¾	41⅜	39¾	45¼	39⅞	42¾	41	44	39⅝	42⅝	39⅝	41⅝	37⅝	44¼	35	39⅛	35¾	40½	40	46½	45	48⅞
Common rights	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	11/16	1⅛	1	1 7/16	--	--	--	--
4% series cum conv preferred 50	55½	60	60	65	65⅝	72	64	67⅞	66	69¾	64	67¼	64	66	60	70	57	60	58½	64⅜	64¼	68⅝	--	--
4.8% series conv preferred 50	69	74½	76	82½	80½	89½	80	85	83¾	87½	80	84	79¾	82	--	--	--	--	--	--	--	--	--	--
Carriers & General Corp 1	13¼	14⅛	13⅛	13⅞	13½	14⅜	13⅛	14	13½	13½	12¼	13¼	12¾	13¼	12⅞	13⅛	12⅛	13	12⅝	13	13	13¾	12⅝	13⅞
Case (J I) Co 12.50	22¾	25	20⅝	24⅛	20½	21⅞	19	21	18	20	26⅞	18⅝	16¾	19	16½	18⅛	14½	17	15	16⅞	14⅞	16⅛	14½	16¼
7% preferred 100	140	143	141	143	138¼	141½	134¾	141	128	132¼	119	128	123	127	121½	126	115	120½	115	120	117¾	122½	111¼	118
Caterpillar Tractor Co 10	58	65¾	60⅜	63	57½	63⅜	56¾	60	58	61	50½	59¾	50¾	53¼	48¾	53⅝	45½	50⅜	46	49	46	48⅛	47¼	52⅛
Preferred 4.20% 100	104	104	104	105	103	104	99	101½	98	98	96½	100½	100	101	101	101	99¾	101	102	102	103¼	103¼	103	103
Celanese Corp of America *	33⅞	38⅝	30½	35¾	30½	32⅞	25⅜	30¾	25	29⅜	25	26⅜	22½	25½	22⅞	26⅜	21⅛	23⅜	19¾	21¾	20	22½	18¾	20¾
7% 2nd preferred 100	131¼	133½	128½	132¼	130¼	132½	125	132	122	127	120	122	118	120½	116½	119½	112	116½	108	113	110½	114	104	111¼
4½% cum preferred conv 100	94	98	90	95¼	89¼	93	83¾	90	82½	87	78	86	79½	85	79¼	81	74⅜	79¼	69¼	75	69⅛	73¼	65¾	69⅛
Celotex Corp *	17⅝	18¼	17⅜	18¼	17¾	19¾	17½	19	17½	18¼	16⅝	18	16¼	17⅞	16	17¼	15½	17⅛	15¾	16⅝	15⅛	16¾	16	16½
5% preferred 20	16⅛	16⅜	16	16½	16⅛	16⅞	16	16⅝	16⅛	16½	16¼	16½	16¼	16½	16⅛	16⅜	16⅛	16⅝	15¾	16¼	15¾	16	15¾	16¼
Central Aguirre Sugar Co 5	19½	19⅞	19⅜	20	19½	20⅛	19¾	20⅛	20	20⅛	20	20½	20⅛	20⅞	20¼	20⅝	20⅛	20¾	19⅞	20⅜	20	20¼	20	20½
Central Foundry Co 1	6⅝	7⅛	6¾	7¾	6¾	7¾	6¼	7	6¼	6½	5¾	6⅜	5¾	6	5¾	6¼	4⅝	5¾	4¾	5⅞	5	5⅜	4⅝	5¼
Central of Georgia Ry Co *	32	40½	35½	39½	34½	39⅜	31½	34¾	31¾	38½	34¼	37½	34½	40⅛	32⅝	38½	27½	34½	29½	31⅜	27	31¼	26⅞	30¾
5% preferred series B 100	65	73½	69	73½	67	72¾	62½	67¼	64⅛	72	63½	70	67	73	66	72¼	59¼	67	66½	71	66¾	70	67	69¾
Central Hudson Gas & Elec Corp *	12⅛	12⅞	12¼	12⅝	12¼	13	11¾	13	11⅞	12⅜	11½	12⅛	11¼	12	11½	12⅜	11½	12⅜	11½	11⅞	11⅝	12	11⅞	12½
Rights	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1/64	5/64	--	--	--	--	--	--
Central Illinois Light Co *	38¾	40⅛	39¼	40¼	39⅝	42	37	40½	38½	40	35⅜	39¼	37½	38½	37⅜	38⅛	36½	37⅞	36⅜	40	38½	40	38½	39¾
Common rights	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	¼	⅜	¼	5/16	--	--
4½% preferred 100	106½	110	106½	108	107	107¾	100½	107¼	99	102	97	101	101	103	103	104	100	105	104	107¼	105	106¾	104	106¾
Central Illinois Public Service 10	20	20¾	20	20¾	20⅛	20⅞	19	20⅜	18¾	19⅜	17¾	19	18	19⅞	18¼	20	18	18⅝	18½	19⅜	19⅛	20	19½	20⅛
Central RR of New Jersey class A 50	22¾	25⅝	23⅛	28½	23¾	27¾	21⅝	23⅞	23	24½	20¼	23¼	23	24¾	18¼	24	14½	19¼	15½	17⅝	16½	18⅜	15	17¼
Class B 50	23	25½	23¼	28⅝	23¼	27¾	21¼	23½	23	24⅛	20½	23½	23	24⅜	19	23¾	14¼	19	16	17½	16¼	18¼	14½	17
Central & South West Corp com 5	20⅛	21⅝	21⅛	22	21⅜	22½	19⅜	22¼	19⅛	19⅞	18½	19½	18⅝	20	19⅜	20⅛	18¾	20⅝	20½	21¾	21¼	22⅜	22	23⅞
Rights	--	--	--	--	--	--	1/256	1/16	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Central Violeta Sugar Co 9.50	14½	16	15⅛	16½	15	17½	14½	15½	14½	15⅜	14	14⅞	11¼	13⅞	12¼	13	11	12½	11	11⅞	10⅜	11¼	10⅛	10¾
Century Ribbon Mills Inc *	8⅜	8⅞	8½	8¾	8½	9⅝	8⅜	9⅜	8	8½	7½	8⅛	7⅝	7¾	7	7½	6½	7⅛	6⅝	6¾	6⅝	7	6⅜	7
Cerro de Pasco Copper Corp 5	36⅛	38⅜	35	38	32¼	37⅜	27½	32¾	25½	28½	22¾	27⅛	22¾	25	21	25½	20	22½	19⅝	21⅞	19⅞	21¾	19¾	22½
Certain-teed Products Corp 1	14⅜	14⅞	14⅛	14¾	14⅝	15⅝	14	15	13⅝	14¾	13	14	13⅛	13½	12	13⅜	11½	12⅞	11⅝	12⅝	12¼	12¾	12	12⅞
Chain Belt Co 10	34¼	35⅝	33¼	37	33	34	30½	33	31¼	33½	31	33	30¾	33¼	30¾	33	30	31¾	30¼	31⅞	30¼	31	30¼	34
Champion Paper & Fibre Co (The) *	29⅞	32	29⅜	31¾	29⅝	31¾	29¼	30⅜	28⅝	31¼	26½	29¼	26⅞	30¼	29⅜	31¼	28½	30¼	29⅝	32⅝	31¼	32½	32¼	34½
$4.50 preferred *	100½	103½	101	102½	99⅞	102½	97	100½	94	98	92¼	95	93⅞	100½	99½	100	97	100	98	101	98	102	97	101
Checker Cab Mfg Corp 1.25	5¾	6½	5⅝	6⅞	6⅝	7½	6⅜	7⅛	5¾	6⅜	5⅜	6⅛	5½	6⅛	5	6¼	4⅝	5¼	5	6	5¼	6⅛	4¾	5⅝
Chesapeake Corp of Virginia 5	30	31	30½	31½	30⅝	31	28⅝	30½	28½	30¼	28½	29½	27½	28¼	27½	28	26	27½	27½	28¼	27⅛	27¾	25¼	28¼
Chesapeake & Ohio Ry Co 25	38⅞	41½	39	41⅝	36⅞	40	36⅛	37½	36¼	38⅝	34⅛	36⅝	35⅞	37⅞	33½	37¾	32¾	34¾	33⅛	36½	34¾	36⅜	32⅞	35
3½% convertible preferred 100	85¼	85⅜	84	85	83½	84⅜	81	82	80½	81¼	80	80¾	80	81½	82	83	82½	83	84½	85½	85½	85½	84¾	85½
Chicago & Eastern Illinois RR *	21⅛	23	19⅞	21¼	20¼	23¼	19⅛	21	19⅛	21¼	18	20⅜	17¼	19¼	15⅛	18½	12	15½	14	15¼	14⅝	17	13⅝	16¼
Class A 40	23⅜	25⅜	24½	25⅜	24½	26½	24	25	24	25¼	23½	25⅛	23¾	24½	21	24	21¼	23	21⅝	24¼	23	24¼	23¼	24⅝
Chicago Corp (The) 1	18⅜	19⅜	18⅜	20⅛	19¼	21⅜	18⅞	20½	19	20⅜	17¼	19½	18¼	19½	19	21	18⅝	21	18⅜	19⅝	18⅝	19⅜	18¼	19⅝
Chicago Great Western Ry Co 50	23⅞	26¾	21¾	24¼	20¼	23½	19⅛	21½	20¼	22½	18½	21⅜	20¼	21⅝	18	23⅛	17½	19	17	18½	18	20¾	18⅜	21⅜
5% preferred 50	32½	34⅞	32¼	34½	31⅝	33¾	30⅜	32½	32	33¼	31½	33¼	30¼	31⅞	28⅝	31¼	27½	29½	27⅛	29¼	29	29¾	27⅛	31½
Chicago Ind'polis & Lou class A 25	15½	18	14½	15¾	15⅛	17⅛	14¾	15¾	14¾	16⅜	14	15⅝	14⅝	15⅜	13¼	15¼	12	13¾	12¾	14	13¾	14	14	15⅛
Class B *	9⅜	10	8⅝	9⅜	8¾	10	8⅛	8⅞	8	10	8⅜	9½	8½	9¼	7½	9	6⅛	7½	6⅛	7	6⅛	6⅞	5½	6⅝

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Chic Milw St Paul & Pac com----*	20⅜	22⅝	19⅛	20¾	19⅛	21¼	16¾	18⅝	17⅛	19⅛	16	17⅞	16⅝	18⅜	14	18⅛	12½	14¾	12⅜	13⅝	11⅝	13¼	10	12⅛
Series A preferred----100	49	51¼	43	50¾	42¾	45	42	44	43⅛	47⅜	43⅛	46	44⅜	46¼	42⅞	47⅜	40¼	44⅜	42⅛	44¼	42¾	44½	43	44⅞
Chic & North Western common----*	18⅛	19⅜	16¼	19⅜	17⅜	19½	17	19¼	18	21½	18⅜	20¾	18⅝	20¼	15½	20¾	13⅛	16⅜	13½	14⅞	11½	13½	10⅛	12⅝
Preferred series A 5%----100	40¼	42⅜	35½	41⅛	36¼	39⅜	36	39¾	39⅜	42¾	39	42	40⅜	42	37¾	44⅛	34	39	35⅛	38	34⅝	37	30½	35⅞
Chicago Pneumatic Tool----*	51¼	55⅝	52⅜	56⅞	55⅞	62¾	51½	58¾	53¼	56⅛	49½	54½	50⅜	53⅞	43	53¼	43¼	46½	41⅞	49¾	47⅜	51½	45⅝	52⅛
$3 convertible preferred----*	67½	73	70	75¼	74¼	82½	70	77¼	71½	74½	68	71¼	69	71	59	68	59⅝	63	64¼	65	63	67	69½	69⅛
Chicago Rock Island & Pacific—																								
Common----*	65½	71¾	67	71	68½	74⅞	67¼	71½	69¼	76⅞	69½	74⅝	70½	76½	65⅜	73⅜	60½	67½	59	64	60¼	64¾	61	65⅞
Preferred conv series A----100	92½	95	93	95	92⅜	94½	92	94¾	92	94½	89⅞	93¾	90	92½	92½	95	90	93	91¼	92¾	92	93	92½	95
Chicago & South Air Lines----*	19⅞	21¾	21⅜	22	22	23¼	21¼	22¾	21	21½	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Chicago Yellow Cab Co Inc----*	9½	9¾	9	9⅜	9	9⅛	9	9⅛	9	9¼	8¾	9¼	8⅝	8⅞	8⅜	8⅞	7⅞	8½	7⅝	8⅜	8	9¼	8	9
Chickasha Cotton Oil Co----10	13⅝	14	13⅝	14⅜	13½	14	12⅛	13⅝	11¼	12½	10¾	12¼	10⅞	11⅝	11⅛	11½	10⅜	11½	11	11⅜	11¼	11¾	11½	11⅞
Childs Co----1	2⅞	3½	3¼	3¾	3¼	3¾	2⅞	3⅜	2¾	3	2⅝	2⅞	2½	2⅞	2¼	2¾	2	2⅜	1⅞	2⅛	2	2⅛	1¾	2⅛
5% cum conv preferred----25	10½	12½	11⅞	13¼	11¼	12¼	10⅞	11¼	10⅜	11¼	10	10⅝	9⅝	10¼	9⅛	10¼	7⅛	8⅝	6⅞	7⅝	7¼	8	7⅛	7⅝
Chile Copper Co----25	34	39	33¾	36	31⅛	34½	32	34½	29	32	27	29½	24	27	24½	29	--	--	24½	26	24¼	26¼	22	25⅛
Chrysler Corp----25	90½	96¼	86⅝	94¾	79⅝	89¾	76⅝	82	74¾	80½	70⅛	75⅛	69⅛	73½	65⅝	73⅞	63⅝	68¼	64	68¾	60⅝	68⅜	58¾	63⅞
Cinn Gas & Elec Co (The)----17	40½	43	40¼	43½	39¾	40½	39	40¼	37½	39⅜	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New----8.50	--	--	--	--	--	--	--	--	18⅞	19½	17½	18⅞	17⅝	18⅞	18	19⅞	18	19	18½	19⅞	19⅝	21¾	21⅜	22⅛
4% cum series pfd----100	99½	102	100	100¾	99¼	100¾	95¼	99¾	94½	97¼	91½	95¼	92	94	92½	93¾	91¾	96½	94½	96½	94½	96¾	94¼	98
Cinc Milling Machine----10	35⅜	36⅞	37	47	44⅝	51	44½	50	46⅛	50	43½	46	43¼	48⅞	43⅝	48½	42½	45⅞	46	50¾	49½	52½	50⅜	55
CIT Financial Corp----*	72¼	74¾	73½	74⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New----*	--	--	27⅛	30¼	27⅜	29⅝	25¾	28	26¾	28⅞	24⅝	27¾	25	27	25½	26⅞	25	27	26½	28⅝	28⅜	30¼	29	30⅜
Cities Service Co----10	89¾	95⅝	87	93	87½	95	80⅝	90	83	87⅝	77⅝	84⅜	78⅛	83⅜	76	85	71	78⅜	70⅞	76⅜	75¾	84	76⅞	83⅛
City Investing Co----5	12½	14⅞	12¼	13⅞	12⅛	13⅞	12¾	13⅞	12⅝	13½	11⅞	12⅞	11	12⅝	11¼	14⅛	9¼	11	9¾	10½	9⅝	10¼	9⅞	10⅛
5½% preferred----100	100	102	100⅛	102	101½	102	--	--	99⅛	99⅛	95	95	--	--	99½	99½	96⅝	99½	100	100	100½	100½	99	102
City Products Corp----*	30½	33⅛	32⅛	33⅛	31⅝	33⅞	31⅜	32¼	31⅝	32	30⅜	32¼	31⅛	32	31⅛	32	30	32	29	30¼	28¾	29⅜	26¼	29⅛
City Stores Co----5	15⅝	15⅞	15½	15⅞	15⅝	16¾	15⅝	16⅝	16	16⅝	15⅝	16¼	16	16⅞	16	17	15⅜	16⅛	15½	16⅛	15¼	16⅛	14⅞	15⅞
4¼% conv preferred----100	81¾	83	80⅛	83¼	80	82½	80	82¼	79	81	77	79½	78½	81¾	77⅜	81⅞	78	80	77¾	80	75	79¼	72¾	76⅜
Clark Equipment Co----20	41½	44¾	41	43¾	39¾	42½	37¼	40	38⅜	41⅛	36½	39½	35	38¾	34	37¼	31⅜	34¼	31	33¾	32	35	31¾	33⅜
C C C & St Louis Ry Co----100	--	--	--	--	152	153	158	158	--	--	--	--	--	--	--	--	--	--	--	--	172	172	--	--
5% non-cumulative preferred----100	--	--	80	80	80	82	81	83	--	--	83¼	85	88	90	85	88	82½	85	85	86	--	--	--	--
Cleveland Elec Illum Co common----*	52¼	53⅜	51½	53	51½	53⅜	49¾	52½	50⅛	52	47½	51½	49⅛	50⅞	49¾	51⅜	49½	51½	50⅞	52⅝	52¼	54¼	53¼	54
$4.50 series preferred----*	108	109½	108⅛	109½	107	109¼	104½	107¾	101	104½	100	103¾	101½	105½	104½	107	104½	105¾	105¼	107⅞	106⅜	108	104½	107⅛
Cleveland & Pitts RR Co 7% gtd----50	73½	74	72½	74	73	75	73½	74	71⅞	73½	71	72	71¾	72	70⅞	72¾	71⅛	72¾	71¼	72	71	72	70¾	72
Special guar 4% betterment stk----50	43½	44¼	43⅛	44	43⅛	44⅜	43⅛	43¾	42½	44	42	42	43	43	--	--	41	42½	41	42½	41½	42	41½	42⅛
Clevite Corp (The)----1	52¼	60¼	52¾	57½	52	54	50½	52¾	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New----1	--	--	--	--	--	--	23⅜	25⅝	22⅝	24¼	20⅜	23⅛	20⅛	21½	19⅞	22⅞	18	21	20⅛	21¾	19⅝	21½	18⅝	20⅛
Climax Molybdenum Co----*	36	38⅝	36⅜	42¼	39	43⅛	36⅞	41⅛	39⅜	42⅜	37¼	41½	37⅜	41¼	34⅝	41⅜	33⅛	35⅞	33⅜	37¼	35¼	37½	36⅛	38⅜
Clinton Industries Inc----1	22¾	24⅝	23½	24¾	24⅝	26	24¼	25¾	24⅞	26⅞	24⅝	26⅜	24⅞	28⅛	26½	28½	26⅝	28½	27	29¼	27½	28¼	27¼	29⅜
4½% cum conv preferred----100	90	95	93	95	93¼	94¾	91	93½	90¾	92¼	89⅜	91¾	89½	92½	92	96½	90	96	94	96	94	97¾	94¾	97⅞
Clopay Corp----1	4	4⅝	4¼	5	3⅞	4¾	3⅝	4	3½	4	3⅛	3⅝	2⅝	3¼	2½	3	2	2½	2	2¼	2⅛	2⅞	2⅛	2⅛
Cluett, Peabody & Co Inc----*	28½	29⅞	28⅝	30	29	31⅞	28¼	31	30¼	32¾	30	32¼	31⅜	32⅛	30¾	32½	29	31¼	29⅝	32¼	30¾	32⅛	31	34⅝
7% perferred----100	131	134	131	132½	130	131½	130	134	130	132½	129	133	129	136	130¾	132	128¼	131	129	131	132	134½	132¾	134⅛
4% cumulative 2nd preferred----100	78	80	79¾	81¼	82½	86	85	86⅛	85¾	87	84½	86½	84¾	85½	85¼	87	85	85	84¼	87½	85	88	86	89
Coca-Cola Co (The)----*	109¾	116¾	115¼	125¼	117⅛	123	113¼	119	112½	116⅞	109½	116	108	114½	109	113	108	109¾	107	111½	107½	109¾	108½	114⅞
Coca-Cola International Corp----*	874	875	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	892	892
Colgate-Palmolive Co----*	43¾	47½	42¾	46½	42¾	44½	42⅝	45¼	44	45⅛	42⅛	44½	42¼	44⅜	41	44⅝	40¼	43¼	40⅛	42	40½	42⅛	38⅝	43⅛
$3.50 preferred----*	88½	89½	88⅝	89½	88	89½	86⅛	88	85½	88	80	85½	82¼	84½	84	87	84½	86	86	89¾	88½	90	86¾	89
Collins & Aikman Corp----*	20¼	22	20½	24¾	20⅞	24½	20⅛	21¾	18⅝	21½	17⅜	19½	17¼	19	15¾	18½	14	17	15	16	14⅜	15¾	13	15
Colorado Fuel & Iron Corp----*	19⅛	20⅛	18½	19⅞	18¼	20⅜	17¾	19	18½	19¼	17⅛	18⅞	17	18⅛	16½	18⅛	14½	16¾	16½	17¾	17⅛	18	16	17⅝
Colorado & Southern Ry Co----100	55	58½	53½	58½	56	66⅛	58	61	59	62	58¾	63½	57	60½	53	58⅜	49	54½	48	50	46	49½	43	45¼
4% non-cum 1st preferred----100	55	60¼	58	59½	58½	67	59½	63	58½	64	58¾	63⅜	58½	62⅞	51½	59¼	50	51	50¼	54½	53¼	55½	49	54
4% non-cum 2nd preferred----100	55	58	56¼	58	57	65½	59½	61½	60	62	59	64	61	63	47½	60¾	47	52	49½	52¼	52½	53¼	49	53⅛
Columbia Broadcasting System—																								
Class A----2.50	38¼	42	39⅜	42¼	40⅛	43½	39¾	43⅝	42⅜	45¼	40	44¾	41⅞	44	42½	46⅜	42¼	48¼	46¼	49¾	47½	49¾	47⅜	50⅛
Class B----2.50	38½	42	39½	42	40¼	43⅜	39½	43⅜	42	45¼	40	44¾	41¾	43½	42⅜	46	42¼	48	46⅜	49¾	47½	49½	47	50⅛
Columbia Gas System Inc----*	14⅜	15	13⅝	14¾	14⅛	14⅞	13	14⅜	13⅛	13½	12⅞	13½	12¾	13¼	12⅞	14	12⅞	13⅝	13	13⅞	12¾	13½	12½	12⅞
Columbia Pictures Corp----*	11⅝	12¾	12⅝	13⅞	12⅝	13⅞	12¾	14¾	13½	16¼	13½	16	14⅝	16	15	17⅜	14⅛	16¼	15⅛	16	15⅜	19	18	22¼
$4.25 cum pfd----*	61⅝	63	61	61¾	59½	61⅝	60⅞	62¾	60⅛	63⅛	60	62¼	60	61	60⅛	62½	61⅛	62½	61	62½	61⅜	64	64½	69⅛
Columbian Carbon Co----*	45⅛	49	46	48⅝	46¾	51¾	45¾	49½	45¾	47⅝	41	46	42½	45	39	44½	37	41½	38¼	44½	40	44	40⅝	45
Columbus & Southern Ohio Elec Co----5	25⅜	26	24¾	26	24⅞	26⅞	24⅛	26⅛	23⅝	25½	23⅝	25⅜	23¼	24¾	23⅝	24½	23⅜	25½	24¾	26⅜	25⅜	26⅝	26⅜	27⅞
Combustion Eng Inc----*	39½	41⅝	40	43	42¼	46	41⅞	44¼	42⅝	44¾	39⅛	43⅜	42½	45¾	40¼	44¾	38½	41¾	39⅝	42½	41¾	45¾	44½	48⅛
Commercial Credit Co----10	36	38⅝	33¾	37	34⅞	37	33	35⅜	33⅜	35¼	31⅜	34	31⅜	33½	31⅝	34⅛	31	33½	33	35¾	35⅝	37⅜	35⅛	36⅞
Commercial Solvents Corp----*	20⅜	22¼	19½	21⅜	19⅛	21½	18	20⅜	18⅜	21⅜	18⅛	19¾	18	19⅜	17⅛	20¼	16	17⅝	16¼	18⅞	16⅜	18⅝	16¼	18
Commonwealth Edison Co----25	34⅜	36	35¼	36⅛	35	37⅜	33¾	35½	33¾	36	32⅛	35¼	33¾	35	34⅜	35	33⅛	35	34⅝	36¾	36⅛	37⅛	36⅛	37½
$1.32 conv preferred----25	34⅜	36	35¼	36⅛	35¼	37⅜	33½	35¼	33⅞	35¾	32⅛	35⅛	33⅝	34¾	34¼	35⅛	33⅝	34¾	34⅝	36½	36⅛	36⅞	36⅛	37⅜
$1.40 convertible preferred----25	35½	37	36¼	36⅞	36½	37⅝	34	36¼	34⅜	35¾	32½	35⅜	34¼	35	34⅝	35¼	34⅛	35⅛	35	36⅝	36⅜	37	36⅛	37¼
Conde Nast Publications (The)----*	7¼	7½	7¼	7⅝	7⅜	8	7⅛	7¾	7⅛	7⅜	6⅝	7⅛	6½	6⅞	6¼	7	5⅞	6½	5⅞	6⅜	5¾	6¼	5⅝	6⅛
Cone Mills Corp----10	25½	27¼	25	26⅞	24⅝	26¼	23½	25	24⅛	24⅞	23½	24⅜	24	25	23	25½	23	24¼	22⅞	23½	22⅛	23¾	21¼	22⅞
Congoleum-Nairn Inc----*	23½	24½	22¾	23⅞	23⅜	24¼	22¾	24⅛	23¼	24⅛	23⅛	23⅞	22¾	23⅞	21¾	23¼	20½	22½	20⅜	21	20⅜	22⅜	20¾	22⅜
Consolidated Cigar Corp----*	29	31⅜	29¾	31	29¾	30⅞	28¾	30	28⅞	29⅜	27½	29	27½	29	29	30¼	27⅝	28½	27⅝	28½	27¾	31¾	31	36
Ex stock distribution----	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	18	20¼
Consolidated Coppermines Corp----5	8⅞	9¾	9⅝	11	9⅛	10⅝	8¼	9⅝	8½	9¼	7¾	8½	7½	8¼	7⅜	8⅜	6¼	7½	6⅞	7¾	7⅝	8⅜	7¼	7⅞
Consolidated Edison Co of N Y Inc----*	37⅞	40	38½	40⅝	38½	40	37⅞	39⅛	38⅜	39	34¾	38¾	37⅞	39	38⅝	40¼	37½	40	39¾	41	40	42	40¾	42⅜
$5 preferred----*	107⅞	109½	108⅜	109	108¼	109	106⅜	108⅝	104	107¼	103¼	107¼	106	107	105¾	106½	105⅞	107½	106⅜	108½	107¼	108½	107¼	108⅜
Consolidated Gas Elec Light &																								
Power Co of Balt common----*	27⅛	28	27⅜	28	26⅝	27⅞	25⅝	27¼	25¾	26¼	23¾	26¼	24⅝	25⅜	25¼	25⅝	24	25½	25⅜	26⅝	26⅜	27	26⅜	27⅞
Preferred 4½% series B----100	106¾	110½	106	109	105⅞	108½	102½	106⅞	101	104	100	103¼	102⅝	104¾	102⅝	104½	101⅛	103½	103¾	109¼	107½	109	106½	109⅛
Preferred 4% series C----100	99	101½	100	101½	99	102	95	100	94½	95½	91	92	93½	95	95¼	95½	92¼	95	94	97½	97½	100	98½	100⅛
Consolidated Grocers Corp----1.33⅓	14⅜	15	14⅝	15¼	15⅜	16⅝	16	16¾	15½	16⅝	14¼	16¼	13½	14¼	13¾	14¾	13	14⅛	13	13⅝	12¾	13⅜	12½	13⅛
Consolidated Laundries Corp----5	11	12⅛	11⅝	12⅛	12	12½	12¾	13½	12¾	13	11¾	12¾	11½	12	11¾	12¼	11⅝	12	11¾	11⅞	12	12¼	12	12⅜
Consolidated Natural Gas Co----15	53⅝	58	56	58	54¾	58	53⅝	58	51¼	54⅞	48½	53½	49	52	49	54¾	51¼	53¾	51¾	54¾	52¾	55	54⅛	57⅛
Consolidated RR of Cuba 6% pfd----100	35⅝	38½	29½	37	29	31⅛	27½	28¾	27	28	26½	27	20⅞	23	17¾	21⅞	17	18¾	17⅛	19⅛	18	18¾	17½	19⅛
6% preferred ctfs----100	35¼	38⅜	29¼	35	29	31¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Consolidated Retail Stores Inc----1	9⅝	10¼	7½	9⅞	8	8⅝	8	8⅞	8	8¾	7½	8	7½	8	7½	8⅛	6⅝	7⅞	6¼	6⅝	6¼	6¾	5¼	6½
Consolidated Textile Co Inc----10c	9⅝	10¼	9	9¾	9	10	9	9¼	9	9¼	9	10	9	9½	9⅛	9½	8½	9⅛	8⅜	8¾	8¼	9¾	8	9⅝
Consolidated Vultee Aircraft Corp----1	18⅝	22¼	20⅜	22¾	19⅛	22½	18½	21	18¾	20⅛	16⅞	19⅜	17⅛	18⅜	17	19	15⅛	17¾	16¾	18⅜	16¼	18⅛	16½	18¾
Consumers Power Co common----*	36½	38¼	35⅝	37	36⅛	37¾	35⅛	37½	36⅞	38½	35¼	37¼	36⅞	38⅜	38⅛	38¾	37⅜	38½	38⅜	40¼	39½	40¾	39⅜	40⅛
Common rights----	⅛	¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
$4.50 preferred----*	104¾	109⅜	106	108	104	107¾	102	104½	101½	103	99	102⅜	100½	104	102	105	101¾	102¾	103½	106½	104	106½	103⅛	106
$4.52 preferred----*	105¾	108¼	106½	108⅜	105	107⅝	102	105¾	101½	102¾	99⅝	102¼	101⅝	103½	102¼	104½	103	106¼	104¾	107	105½	106⅝	104¾	106⅜
Container Corp of America----10	40¼	45	40⅜	44½	41⅛	44	39⅛	41⅞	38¼	40¾	36	40	38½	40⅝	36½	40½	36	40	39⅝	42⅝	40⅞	44½	41¾	44⅜
4% cumulative preferred----100	102	102¼	101¾	102⅝	100¾	101¾	99	100⅛	99	99¾	93	97	95	100	99½	100½	99¾	101	99	101	100⅝	102	100	102
Continental Baking Co----*	18⅝	21¾	21½	23¼	22⅝	24⅝	21⅝	24¾	23¾	25⅛	22	24⅞	22⅞	23⅝	22	24⅜	20¾	22⅞	21⅞	23⅛	21½	22½	20	22⅜
$5.50 preferred----*	90⅛	94	92	93¼	92⅞	94¾	94	95⅛	94	95½	90¾	95¾	90	93	91	93¾	89⅝	93¼	90	93¾	92¾	94½	91	93⅞
Continental Can Co Inc----20	45½	50¾	49	52½	49⅞	52⅝	49⅜	51⅞	50⅜	51⅝	49¾	53¾	51	55¼	52¾	56	51¼	53	52⅛	57⅞	55⅝	58¼	53¼	57⅜
$3.75 preferred----*	96	97⅜	94¼	95	94	96	91½	93½	87	88	87	87½	88	92¼	92	93	91	92	93	94¼	94¾	95¼	93½	95
$4.25 preferred----*	112¼	118⅛	114½	120½	115¼	120¼	113½	119	115¾	118¾	114½	122	118¼	126¼	122	128	118¼	122	120¾	131¾	128¼	133	122½	132
Continental Copper & Steel Ind Inc—																								
Common----2	8¾	9¼	8¾	10⅛	8¾	10⅜	8½	9¼	8½	9⅛	8	9	8⅛	8¾	8	8½	7½	8½	8	8½	8	8½	7⅝	8⅜
5% cum preferred (conv)----25	17¾	18⅜	18½	19¼	19	20¾	18⅛	19½	18	18½	17½	18¼	18	18⅜	18	19	18	19	18¼	18¾	18⅛	18½	18⅝	18⅝
Continental Diamond Fibre Co----5	12¼	13¼	12¼	13	11⅝	13½	11¾	12½	11⅝	12½	10¾	11¾	10¾	11⅛	10½	11⅛	9⅜	10¼	10	10⅞	10½	11⅝	10⅜	11⅜
Continental Insurance Co----10	79	82½	77¾	82	76⅝	80½	74½	78½	71¼	77¾	67	72¼	69½	73⅞	69¼	76	67¾	72¾	69½	73¾	70	76¾	73¼	77¼
Continental Motors Corp----1	9¾	10⅞	9⅞	11¼	10¼	11⅞	9½	10⅝	9¾	10½	8¾	10¼	8¾	9⅞	8	9½	7⅛	8⅛	7¾	8⅝	8¼	8⅝	7⅜	8⅜
Continental Oil Co of Delaware----5	58⅜	62¾	56¼	59⅜	56½	60⅝	52¼	58½	52¾	57½	52	57¾	54½	57¼	52	57⅜	49½	52⅝	48⅜	53¼	51¾	57⅜	51	56¾
Continental Steel Corp----14	20¼	21½	21⅞	21⅜	20½	22	19⅜	20½	19½	20	18½	19¼	18¼	19¾	17⅜	19¼	15¼	18	17	17¾	16⅛	17½	15½	17
Cooper-Bessemer Corp----5	25¾	27⅝	26	27¾	25¾	28⅛	24½	26½	25½	26⅞	23¼	25½	22	25	21½	23¼	19½	22⅛	20	22⅝	21½	23½	19⅝	22⅞
Copper Range Co----*	24	26½	23½	26¼	22¼	25½	21¼	23⅜	22	24	20¾	22½	21⅛	23¼	20½	23⅞	19⅜	21½	19¾	21¾	21	24½	22⅜	24⅛
Copperweld Steel Co----5	25½	27⅛	25¼	27¼	24½	26⅝	23¾	26	25¾	26⅞	23½	26	24¼	25⅜	22⅝	25½	19½	22⅝	20¾	23¼	21⅜	23	20	21⅝
Convertible preferred 5% series----50	48½	52	50	51	49	49	49	50	49⅜	51	49⅜	49⅜	50½	52	49½	51	--	--	48⅜	48⅝	49	50	49	49¼
Convertible preferred 6% series----50	52⅞	55⅞	53¼	55½	51¼	55	51¼	53¼	53½	55¼	50¼	53¼	51	51½	48¼	51⅞	45¼	48	46	48½	46½	48	43¾	46
Cornell-Dubilier Electric Corp----1	19⅞	22⅜	21⅞	25⅜	24¼	26⅝	21⅛	25	22¼	24¾	20½	22¼	20½	22⅛	18⅜	21¼	18¼	21	20¼	21⅝	19½	22¼	20⅝	24
Corn Exchange Bank Trust Co----20	64½	68⅛	63¾	67	64	65¼	62	64¾	60⅞	64	58	62	59⅜	62½	60½	63	60	62¼	60⅝	62	60⅝	63	60½	62⅜
Corning Glass Works----5	74½	79¼	75	79	71	76¼	70	75¼	72½	79	70½	77	77	82¼	80	87	77	82¾	83	86¼	85½	89½	85	90⅛
3½% preferred series----100	95½	96¾	95	95¾	94½	95½	93½	94¼	93¼	95	93½	94	93½	94½	93½	94¼	93⅛	93¾	94	95½	94¼	94¼	94¼	95¼
Cum pfd 3½% series of 1947----100	95½	96½	94½	96¼	94½	95¾	94	95¼	93¾	96	93½	98	95½	98	94	95	93¼	94½	94¼	94½	93½	95	94¼	97
Corn Products Refining Co----25	68¼	71¾	67⅛	69⅛	67⅛	70⅜	67¾	72⅛	70	73¼	68⅛	70¾	68½	71⅜	70¾	73¾	69⅞	72⅝	70½	74⅜	73	78	71½	74⅜
7% cum preferred----100	166¾	172	164	170	161	168	161	165	162	165½	161	164¼	163	170	167⅛	170	166	168½	168½	173½	172½	175¼	171	176⅛
Cosden Petroleum Corp----1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	16⅜	18⅛	15⅝	17¾
Coty Inc----1	4½	5	4½	4⅞	4½	4¾	4⅛	4⅝	4¼	4½	3⅞	4¼	4	4½	3⅞	4⅛	3½	4	3½	4	3½	3⅞	3½	3⅞
Coty International Corp----1	1¾	1⅞	1¾	1⅞	1¾	2	1¾	1⅞	1⅝	1¾	1½	1¾	1½	1⅝	1½	1¾	1⅜	1⅝	1⅜	1½	1¼	1½	1¼	1⅜
Crane Co----25	30¾	32⅜	29⅝	31¾	30¼	33⅜	31⅜	34⅛	30	32⅝	28¾	31¾	28⅛	29⅜	28	30¾	25⅛	28⅛	25⅝	27⅛	26½	29½	27½	29⅞
3¾% preferred----100	93½	95	93¾	94⅛	92½	94	90	93	88½	89½	87½	89	88	92½	--	--	88	89½	89¾	91¾	91¾	91¾	91½	92
Creameries of America----1	12	13	13	14⅞	13⅝	15⅝	13⅜	14⅜	13¾	15¼	14	15¾	14⅜	16½	--	--	--	--	--	--	--	--	--	--
Cream of Wheat Corp----2	25¼	26⅜	26⅛	27¼	26½	27⅜	26	26⅝	26	27¼	25¾	27⅛	25⅞	26½	26	26⅞	25⅝	26⅜	25¾	26½	26⅛	26⅝	26	27
Crown Cork & Seal Co Inc----2.50	14¼	15¼	14⅜	15⅝	14⅛	15¾	14	14⅝	13½	14⅜	12⅛	13⅞	12½	13¼	12½	14	12⅛	13⅜	12⅛	12⅞	11½	12⅜	10⅝	12⅛
$2 cum preferred----*	33¼	34⅞	32⅝	33¾	32⅝	33¾	32¼	33	31½	32⅝	28	31½	29¼	31½	31	32⅛	28⅝	30½	28⅝	30	28⅜	29¾	28	29⅛

For footnotes see page 15.

1953 — NEW YORK STOCK RECORD — 1953

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Crown Zellerbach Corp 5	60½	63⅞	62½	70½	65	68¾	58¾	65¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New 5	—	—	—	—	—	—	29	31½	29⅛	29¾	26½	29⅜	27⅝	30⅜	28¼	30⅛	28¼	29¾	29	31⅞	31⅜	35⅛	34⅛	35¾
$4.20 preferred *	101⅞	103	101⅜	102⅝	100⅝	102	97	101	91	98½	91½	93	92¾	99	94½	97½	91½	95½	95¼	100½	99½	102	100⅛	102
Crucible Steel of America 25	31½	33⅝	29¼	32	29¾	33¼	29	31⅛	29⅞	31⅞	27⅞	30⅛	27⅝	29¼	24⅛	29⅝	20¾	24⅝	21½	24¾	23¼	24⅝	21⅜	25¼
5% convertible preferred 100	85	88¼	81	86	82¼	89	80⅛	84	83	86	78	82½	80¼	82¼	73½	82¼	68¾	73¾	70	74¼	73¼	76	71½	77½
Cuba RR 6% non-cum preferred 100	32½	36⅛	27⅛	32½	24¼	28	24	26½	25	27¼	20½	27	19⅛	22	17	19⅞	15¾	17⅝	14	18¾	15¾	18½	13½	15½
Preferred certificates of deposit 100	32	35⅞	27¼	32	25⅛	27½	24¼	25½	24½	26½	24	25	—	—	—	—	—	—	—	—	—	—	—	—
Cuban-American Sugar Co 10	15¾	17	15⅞	16¾	15¾	16¾	15½	16½	15⅝	16⅛	15⅛	16⅛	14¾	15⅜	14½	15	12½	14⅝	12⅝	13¼	12⅜	12⅞	11⅝	12⅝
7% preferred 100	185	185	—	—	185	185	—	—	—	—	180	180	—	—	—	—	—	—	—	—	180	180	180	180
Cudahy Packing Co 10	6½	7⅜	7	7½	7	8⅛	7	8	7½	8⅞	7⅛	8⅜	6¾	7⅝	5⅞	7⅛	5¼	6⅛	5½	6	5⅜	6	5¼	6¼
4½% cumulative preferred 100	58¼	63	60	61	60	64	59	61⅛	60	63½	59	61	59	60	58	60	53	55	53	55	52	55	52½	55
Cuneo Press Inc 5	10¼	11	10¾	11⅜	10⅝	12⅛	10½	11¾	10	11⅜	8¾	10¼	8⅝	9⅜	8¼	9¼	6⅞	9	8¾	9⅜	8½	9¼	9⅛	10⅛
Cunningham Drug Stores Inc 2.50	31	34½	30½	33	30	31⅞	29¼	30½	29⅜	29¾	28¼	29¼	28	28¾	28¼	29¼	27	28½	27	29¼	28⅞	29¼	28⅝	29½
$7 preferred *	7¼	8	7	8⅛	7¾	8½	7¾	8⅞	7⅛	8¼	6⅝	7⅜	6⅜	7	5⅞	6⅞	5⅜	6⅞	6⅜	7⅝	7	7½	7¼	7⅞
Prior preferred *	94½	96¼	95	96½	97½	100	95	99½	95½	97	94½	97	96	100½	99	100	94¼	98	95	97½	96¾	98	93½	96
Curtis Publishing Co (The) 1	53½	56	54⅝	57⅜	54	56¼	54¼	56	53	55	51	53½	51	53¼	51	52	49⅝	51¼	50¼	52½	53	55	53	54⅝
Curtiss Wright Corp 1	8⅜	9½	8¾	9⅝	8¼	9⅝	7⅞	8⅝	8	8½	7⅝	8⅛	7½	8	7½	8	6⅝	7¾	7	7⅝	7⅛	8½	7⅝	8⅛
Class A 1	24	26¾	25⅛	26⅝	25⅛	27¼	24¼	25½	25⅛	25¾	24⅝	25⅛	24½	25¼	24⅛	25¼	23⅛	24½	23⅝	24⅝	24⅛	26	24⅝	25⅜
Cushman's Sons Inc 7% preferred 100	131	131	—	—	133	133	136	138	138	138	138	138	136	136	135	135	135	135½	135½	135½	135	135	—	—
Cutler-Hammer Inc *	39⅜	43	39	42¾	39	41¼	38	39⅝	38½	40¾	35	39	35¾	38	34¾	38⅞	31¾	35¾	34⅛	38¾	37¾	39⅞	40	41⅞
D																								
Dana Corp 1	36⅞	39½	37½	39⅞	37	40⅛	33⅝	37	35¼	37¼	32⅞	35¾	32¼	34	30¼	33¾	29¼	32½	30	31½	31¼	32¾	30	31⅝
Cum pfd 3¾% series A 100	91½	92	91	91⅝	86¾	90½	86	88½	86	87	85	87½	87½	87½	88	89	88	90	85	88	86	87½	83½	86
Davega Stores Corp 2.50	7⅞	8⅜	8⅛	8½	8	8⅝	7½	8	6¾	7½	6¼	7⅛	6⅝	7	6½	6¾	5½	6⅝	6⅛	6⅜	5¼	6	4	5⅝
5% conv preferred 20	14	14	—	—	14	14	—	—	14⅛	14¼	14	14¼	13⅞	13⅞	13¾	14	14	14	14	14⅛	13⅞	14¼	14	14⅛
Davison Chemical Corp (The) 1	36	39⅜	36⅛	38	34¾	38	32⅝	35½	32⅝	34½	31¾	34¼	32½	34⅞	34½	37½	34⅜	39½	35¾	38	36¾	40¼	37⅝	38
4.60% preferred series A 50	54	56	54¼	55¼	53¾	57	52⅛	55	52	53½	49½	53½	53⅞	55	53	53½	49	55	50⅛	52⅜	51⅜	54	51½	52⅛
Daystrom Inc 10	14¾	15⅝	15¼	16	15¼	16⅛	14	15½	14¼	15	13⅛	14¾	13¾	14½	13	14¼	11⅜	13¼	11½	12¼	11½	12	11⅛	12⅜
Dayton Power & Light (The) Co 7	35⅞	36⅝	35¾	36¾	36⅝	38⅛	35¼	37⅛	34¼	35⅞	33⅛	36	33⅝	36	35	36¼	34	36	35½	37½	36¾	38¼	37⅝	39¼
Preferred 3.75% series A 100	90½	92	88	92	86	90	85	88	82¼	85	83	87	87	91	89	90⅝	88½	90½	87	90	86½	90¾	87¼	89
Preferred 3.75% series B 100	90	92	90	91	88	89	83	88½	83¾	85	83¾	85	88½	90	89	91	88	90	88½	92	89	91¼	89	89½
Preferred 3.90% series C 100	97	97	94½	97½	—	—	93¼	94⅝	88	92½	86	87	87½	92½	90¼	91	90¼	90¼	91	95½	96½	97½	95	95
Dayton Rubber Co 50c	20⅞	22¾	22	23⅝	21¼	23⅝	20½	22⅛	21	22	19⅜	21⅛	19½	20⅛	17½	20⅛	17⅝	19¼	17¾	19⅜	17⅞	18¾	18⅛	18⅞
Decca Records Inc 50c	9¼	9⅞	9⅜	11	10⅛	11	10⅛	11¾	10¾	12⅛	8¾	11⅛	8⅞	9½	8¾	9¾	7⅞	9⅛	8⅝	9⅛	8⅜	9⅞	9¼	10⅜
Rights	—	—	—	—	—	—	—	—	—	—	1/128	3/32	—	—	—	—	—	—	—	—	—	—	—	—
Deep Rock Oil Corp 1	41¾	47½	40¼	46	43½	46	40¼	44	40¼	44½	37	41	36⅛	42	36¼	42⅞	34¾	39¾	35½	40⅞	37	40¼	34	37⅛
Deere & Co 10	28⅝	30⅜	25⅝	29⅜	26⅜	28⅝	25⅜	28¼	24⅝	28⅜	23½	26¼	25⅛	27	24⅜	26⅜	23¼	25⅝	24½	27¼	25½	26⅞	24¼	26⅝
7% preferred 20	33	33⅞	32⅜	33½	31	32½	30⅛	31¼	30⅛	31	28¾	30¾	30	31½	30¾	31½	30⅜	31¼	31	33⅜	31½	33⅜	31½	32⅜
Delaware & Hudson Co 100	47¼	52	49¼	52⅞	48½	52	46⅝	48¾	46¼	48⅜	45½	48	46	49	44¾	49⅜	40½	46	42	44⅞	44¼	45½	42½	46¼
Delaware Lack & West RR Co 50	13½	15⅜	13½	15⅛	13	15	12½	13½	12¾	14⅝	12⅜	13¾	13⅜	14¼	11¾	14¼	10⅝	12¼	10⅜	12	11⅝	12⅜	12	12⅝
Delaware Power & Light Co 13.50	24⅛	27	25⅜	27⅛	24	25⅞	24¼	25	23⅞	24⅞	23¾	25	23¾	24⅜	24⅜	26¾	25	27	25⅛	26¼	25¾	27	26⅞	27¾
Rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1/32	⅜	⅜	½
Denver & Rio Grande West RR Co																								
Escrow ctfs for com stock 100	79	85	77¾	83½	78	82½	74	79	77	85¼	76½	83½	81⅛	97	87	96¾	78	88½	79½	83¼	81¾	89¾	82½	88¾
Ex 50% stock dividend w i	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	55¾	60
Escrow ctfs for preferred stock 100	89⅞	94¾	89⅛	94	84½	93	81½	85	83⅞	90¾	82½	88	87½	98½	90	99	84½	91½	88	90½	89¼	95	92½	95¼
Derby Oil Co (The) 8	18⅛	20¼	17¾	19⅝	18⅝	24⅜	20	23⅞	20	23⅞	19¾	22	19⅞	20⅞	18	21½	16⅛	19	15⅜	17½	16⅜	18⅛	16⅛	18⅞
Detroit Edison Co 20	24½	25	24⅜	25¼	25	25⅞	24⅞	25¼	25	25⅜	24⅞	26⅝	25⅞	27¼	27	27¾	26¾	27⅛	27	28⅞	28⅜	29¼	29	30⅝
Rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	29/64	33/64
Detroit Hillsdale & S W RR Co 100	61½	63½	—	—	62½	64	63	64	—	—	62⅛	62½	61	63	62	63	—	—	—	—	—	—	61¼	61⅝
Detroit-Michigan Stove Co 1	6	6¼	6⅛	6½	5½	6¾	4½	5¾	4¼	4⅞	3⅞	4½	3½	4	3½	3⅞	3	3⅝	3	3¼	2¾	3⅛	2¼	2⅞
Detroit Steel Corp 1	14⅜	15⅝	14¼	15⅜	14¾	16½	14⅜	15⅜	14⅛	15	13⅝	14¼	13½	14	12¼	14	11¾	12¾	11⅛	12	11½	12¼	9½	11⅞
DeVilbiss Co (The) 5	18½	18⅞	18⅞	19½	19¼	19⅝	18½	19⅝	19⅛	19½	18½	19⅞	18¼	19	18¾	19⅝	17½	19	18⅛	19	17⅞	18½	17⅞	18⅞
Devoe & Raynolds class A 2	22½	23⅜	22	24	22¼	24¼	22	23¼	20½	23¼	19¾	20⅞	20½	21⅝	20	22¼	18¾	20¾	19¾	20⅝	20	21⅜	20	21⅜
Diamond Alkali Co 10	29½	32½	29	30⅛	29⅝	33	28	31	26⅞	28½	26½	27¾	26¾	28¾	25¼	29⅛	25	26¾	25½	27	26	27¼	27⅛	28
4.40% preferred 100	107	108	103½	106	105	106½	102½	104¾	97½	102¾	95¼	96	96½	101½	100	101	96⅞	101	98	100	100¼	100⅞	99¼	101
Diamond Match Co *	39	40½	39	40⅞	37¾	39½	35¼	37¾	35	36½	32¾	34¾	33½	36	33½	34⅞	33¼	35⅝	34	35⅜	33⅞	35	33⅝	34⅞
$1.50 cum preferred 25	33½	34⅜	34	34¾	33⅝	34½	33	34	32½	33½	30	32½	30½	32¼	31⅞	32⅞	31¾	32½	31½	33½	33	34¼	33⅛	34¼
Diamond T Motor Car Co 2	12⅞	13⅜	13	13⅞	12⅞	14	12¾	13⅜	12⅞	14⅛	12	13⅜	11	12⅜	11	11⅞	9½	11⅛	10	11⅞	11	12⅜	9⅞	11⅝
Diana Stores Corp 50c	12⅛	13	12¼	13⅛	12	12⅝	10⅞	12¼	11⅝	11⅝	11	11⅜	11½	12⅜	11⅛	12⅛	10¼	11½	11½	11⅞	11⅜	12¼	11	11⅞
Distillers Corp-Seagrams Ltd 2	25	27⅛	25⅝	27¼	26¾	28⅜	25¾	27½	26½	27⅜	25⅜	27⅞	27¼	27⅞	26⅞	28	25⅜	27⅛	25⅞	28⅜	27⅞	29¾	28½	29⅛
Divco Corp 1	8½	9¼	8⅜	9	8⅜	9¼	8⅛	9⅛	8½	9⅛	8	9	8	8⅜	8	8⅝	7¾	8⅜	8	9⅝	9⅜	12	10⅞	12
Dixie Cup Co *	35½	37¾	36¾	38	36	39⅝	34½	37½	35½	38½	31¼	35	33	36⅝	35½	38¾	32	36¾	36¼	38¼	37⅛	40⅞	39¾	41⅜
Rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1/16	1 1/16	—	—
Doctor Pepper Co *	11	12	11⅜	13¾	12	12⅞	12	12½	12	12⅜	11¼	12⅛	11	11½	10⅞	11½	10	11	10¼	10⅝	10⅜	10⅞	10⅛	10⅝
Doehler-Jarvis Corp 5	32¾	35½	34	35½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dome Mines Ltd *	20	21½	19½	22¾	21	23⅜	20⅛	22¼	18⅛	20⅝	17⅛	19⅛	17½	18⅛	15⅝	18⅜	15⅝	17¼	15¼	16½	14¼	15¾	13⅞	15⅝
Douglas Aircraft Co Inc *	62½	67⅜	62½	69¼	63½	72¼	60¼	64⅞	63	67¼	60	64¼	60¼	67⅝	64¼	67⅝	61½	69⅝	66½	74⅜	70¼	79¾	79	87⅜
Dow Chemical Co common (Del.) 5	40¾	43⅝	38⅜	41½	38¼	40½	36⅝	39	36½	38⅜	33¼	37⅛	34	36⅞	34¾	37	33¾	36⅝	34½	37	35½	38½	36¾	38⅝
Common "when issued"	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	35⅞	36⅜	—	—	—	—
Cum pfd series A $4 dividend *	102	102¾	100¾	102½	99	101½	96	99	96½	98½	94½	97¾	94¾	100½	100¼	101¾	100¼	100⅝	100½	102¾	101⅝	102¾	100¾	102½
Dresser Industries Inc 50c	23⅜	24¾	22¾	24⅝	21	23⅝	19¾	21⅜	19¾	21	17⅞	20	18⅝	19⅞	17¾	20⅛	17¼	18⅝	17¼	21¼	18⅞	19⅞	18½	19⅞
Conv preferred 3¾% series 100	82½	83¾	81½	83	81⅜	82⅝	80	81⅜	—	—	78	79	78	78	77⅛	80	76⅛	77⅛	76	76⅛	75⅛	77¼	75	75⅛
Dunhill International Inc 1	—	—	40	43	40	41	40	40	38	40	40	40	36	38	38	38	36	36	37½	37½	38	38	38½	39
Duplan Corp *	11⅜	12¾	11⅛	12	10	11¾	9⅝	10⅜	9⅝	10⅜	9¼	10⅛	9¼	9⅞	8⅛	10	7⅜	8½	7½	8¼	7	7⅞	6⅞	7⅝
Du Pont de Nem (E I) & Co 5	92½	100¼	96	100	94¼	100	91¼	97⅝	94	98⅜	91	95½	94	98¼	96	103¾	94	99⅝	99⅛	104⅞	99¾	106⅝	104	108⅜
$4.50 preferred series *	116⅝	118½	115¾	117¼	112¾	116	112	113¾	110	113¼	109	112	110¼	112	111¼	112½	110	113¾	112⅛	116¾	115¼	117¼	114½	116⅛
Preferred $3.50 series *	96	97	95¼	96½	92	95	91⅛	93	91¼	93	89¾	91⅞	91	92	92⅜	94	91½	92⅞	93	94½	92¾	94¾	93	94¼
Duquesne Light Co 10	—	—	—	—	—	—	—	—	27⅜	27⅞	25½	27½	26½	27⅜	26¾	27½	25¼	27½	27⅜	29	29	30	27¾	30⅛
When distributed	—	—	—	—	—	—	—	—	—	—	—	—	—	—	26⅞	27⅜	26⅝	26⅞	—	—	—	—	—	—
3.75% preferred 50	45⅝	47½	47	48	46	47½	42	45¾	42½	44	42	43¾	43¾	44½	42⅞	44¼	43¼	44⅜	45⅛	47	45½	46¾	45	45⅜
$4.15 preferred series 50	50¼	51⅞	50¼	51½	51	51¾	47½	51	48½	48½	48	49	48½	49⅜	48¾	49⅞	49⅛	49⅝	49¾	51⅜	51¼	51⅞	50½	52
4% preferred 50	47⅜	48⅞	47	47¾	45¾	47¾	45⅛	46¼	44¾	45⅞	43½	45⅛	45¼	47⅛	46½	47⅜	44¾	46½	45¼	47⅝	47	48	47	48⅛
D W G Cigar Corp 5	9⅛	9⅝	9¼	10⅛	9⅝	10⅛	9⅝	10½	9¾	10⅝	9⅛	10	9⅛	9½	9¼	9⅝	9¼	10⅛	9½	9¾	9½	10	9¼	10
E																								
Eagle-Picher Co (The) 10	21¼	22⅝	21⅞	23½	22¾	23¾	20⅜	23½	20	20¾	18½	20⅛	19⅛	21	18½	20¾	17½	18⅞	17¾	19½	18⅛	20	18	19
Eastern Airlines Inc 1	26¼	28⅜	25¼	27⅝	25⅜	27⅞	23⅝	26½	24⅝	25⅞	22¾	25	23⅝	24⅞	21¾	24¾	20⅝	23⅝	21⅝	23¼	22½	23⅜	22⅛	24⅜
Eastern Corp 10	16⅞	17¾	16	17½	16¼	19¼	16	18½	15⅝	16½	14⅝	15⅝	14½	15⅛	14	15	14	14½	14⅛	15	14	14½	13⅞	15½
Eastern Stainless Steel Corp 5	14¼	15⅜	13½	14½	14	15½	13½	14¾	14	15	12⅞	14¼	12½	13¼	10	13½	9½	11	10	11¾	10¼	10⅞	8⅝	10⅝
Eastman Kodak Co 10	44¼	46⅛	43⅞	46	44⅜	46⅝	43	47	42⅝	44½	41⅝	43⅛	41⅞	42¾	42¼	43½	41¾	43¼	43⅛	47⅛	44⅜	47¼	44⅞	47⅜
"When issued"	—	—	—	—	—	—	—	—	43¾	43¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—
6% preferred 100	164½	169	166	168	163	167	158½	164	159½	162	160	163	160	163	162½	164½	156½	162	157½	162	160¼	162	160	164
Eaton Manufacturing Co 2	45	48½	46	48¼	43¼	47⅞	42⅛	44	41¼	43⅜	39⅛	42⅝	39	42¼	38½	40½	36¼	38½	36½	39⅞	38¾	41⅛	38½	40⅜
Edison Bros Stores Inc 1	16¾	18½	17½	23½	20⅜	25⅝	19¾	22¼	21⅛	25⅜	21¾	24¾	20⅜	23½	21¼	23½	19⅝	23	20¼	21¾	20⅛	21½	20	21⅜
4¼% preferred 100	85½	90	92	94	89¾	93	88	88	86	88	83½	84	83	84	84	86½	83¼	85	83½	88⅛	87	90	85⅞	86⅝
Ekco Products Co 2.50	21⅝	23⅛	21	22	21⅜	22¼	20¼	22	20¼	21¾	20⅛	22	20½	23⅞	23	24½	20¾	23⅝	22⅜	24	22⅜	23¾	23⅝	24⅞
4½% preferred series 100	100	100	100	102	98	100	97½	97½	89	93	92	92	—	—	—	—	—	—	90½	90½	—	—	95	98
Elastic Stop Nut Corp of America 1	15¼	16	15⅝	17⅝	16¼	17⅜	14⅝	16¼	14⅝	15¾	13⅞	15	13¾	14⅞	13¾	14½	12½	14⅜	13	13⅞	13⅜	16	13	15¼
Electric Auto Lite (The) 5	53	56½	53¼	56⅛	51¼	57	48	52⅝	46¼	49	43½	46⅞	42½	45¼	42	45¼	39½	43	39¾	43½	41¼	43⅜	40	43⅜
Elec & Musical Ind Amer shares 10 sh	1¾	2⅛	1¾	2⅛	1⅞	2⅜	1⅞	2¼	1¾	2	1⅝	1⅞	1⅝	1⅞	1¾	1⅞	1¾	1⅞	1⅝	1⅞	1⅜	1¾	1½	1¾
Electric Storage Battery *	36⅝	37⅜	36	37⅛	35	36⅞	32	35½	32¼	34	30⅛	32½	29⅞	32⅜	29	32⅜	25½	29⅝	25⅜	27⅜	25⅞	27¼	23¾	27⅜
Elgin National Watch Co 15	11⅞	13	12¼	13	12⅛	13	11¾	12½	12¼	12¾	11⅛	12¼	11⅞	12	11¾	13	10⅞	12	10½	12	11½	12½	11¼	12⅜
Elliott Co 10	29⅞	33⅛	31⅛	33⅝	29⅝	33⅛	28⅜	30¼	28⅝	30½	26¼	29⅜	25⅛	27¾	22½	27⅜	22⅜	24½	22	24⅝	23⅞	26⅞	23⅞	26⅛
5% preferred 50	49⅝	50¾	49½	50	50	50½	49½	50	49½	50	49	51	49½	50	48	49¾	49½	49½	50	50½	50½	51½	48½	51½
5% convertible 2nd preferred 50	55¾	60	56	60½	54½	60	51½	55⅛	52½	55	49½	53	49⅝	51	50¼	51	46¼	49½	44	48½	47½	50¼	49	50⅝
El Paso Natural Gas Co 3	36¼	37¼	34⅜	36⅜	34¾	37¼	33	35¼	33⅝	34⅞	31⅞	34⅝	32⅝	33½	32⅛	33⅝	30	33½	32½	35¼	34⅜	35⅞	35⅛	36⅛
Rights	—	—	—	—	9/16	13/16	7/16	11/16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Emerson Electric Mfg Co 4	16	17¼	16⅞	18¼	16½	18½	16	17¼	16½	17⅛	15⅜	16⅞	15½	16⅜	15¼	16½	13½	15⅜	14	15⅜	14½	16¼	14⅝	16⅛
Rights	—	—	—	—	—	—	5/32	9/32	7/32	9/32	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Emerson Radio & Phonograph Corp 5	12⅞	14	12½	13¾	12½	13¾	11⅝	12⅞	11½	12¼	10⅞	12	11¼	12¾	10⅞	12⅞	10¾	12¼	11¼	12⅜	10¼	11¾	9¾	11
Empire District Elec Co (The) 10	23⅞	25½	24¼	26¼	24¼	25¾	24	24⅞	23¼	24¼	21⅛	23¼	21½	23	22	23½	20⅛	22	21¾	23¼	22½	23¼	23	24
Endicott-Johnson Corp 25	28	29½	28⅛	29¾	27⅞	28⅞	27	28¼	27⅜	28½	26½	28	26¼	27	26⅝	27⅛	25⅝	27⅛	26	26⅞	26	26¾	25⅛	26⅜
Cum preferred 4% series 100	95	97½	95½	97	95½	99	94	96½	92¾	94½	93	96	89½	97	90¼	92	90⅛	94	93	95	92	94½	89⅛	95½
Equitable Gas Co 8.50	22½	24½	23¼	24⅛	22¾	24⅞	21⅞	23½	21	22¼	20⅜	21¼	20¾	22⅛	21⅞	23¼	20⅞	22½	22⅛	24⅜	22½	23¾	22⅜	23⅝
Equitable Office Building Corp 1	7	7⅝	7⅛	7⅝	7	7½	6¾	7⅛	6⅞	7⅛	6⅝	7	6¾	7	6⅝	7	6	6¾	6¼	7⅜	7⅛	8⅜	7¾	8¼
Erie RR Co *	21¾	22⅞	20½	22¼	20⅛	22¼	19½	20½	20¼	22	18⅝	21⅝	19½	20⅛	18½	20½	16⅝	18⅞	17⅜	19⅛	18⅛	19¼	16	17¾
5% preferred series A 100	70	74	70¼	74¼	71	72½	70¼	71½	68⅜	70	68¼	69	68⅝	70¼	68	71	64⅞	68	65¾	67½	66	68	64½	67¾
Erie & Pittsburgh RR Co 50	71	71	72	72	71¼	72	74	74	74	74	70½	70½	71	71	73	73	71	71½	71	71	71¾	71¾	—	—
Eureka Williams Corp 5	7⅛	8	7¾	9⅛	8⅛	9½	7⅞	9	7¾	8¼	7	7¾	6¾	7¾	7⅛	8¼	6⅝	7½	6⅝	7⅝	6⅞	9	8	9¼
Evans Products Co 5	11	12⅜	11⅝	12⅝	12⅜	14⅜	12½	13½	13	13¾	11½	13	11⅝	12⅜	11⅛	13⅛	10	11⅞	10⅞	12	12¾	13⅝	11⅛	12⅞
Eversharp Inc 1	13	13½	13	13⅜	13¼	15¼	14	15½	15⅛	16⅛	13⅞	15½	14½	15⅜	13	14⅞	12⅛	13¾	12⅛	13⅛	12	12½	12	12½
Ex-Cell-O Corp 3	49¾	52¾	50	57⅞	50⅝	59¾	49	53½	49¾	53¾	48	51¾	47¼	50⅝	41⅝	48⅜	39½	45½	44	48	46½	48¾	48⅛	50⅜
Exchange Buffet Corp 2.50	2	2¾	2½	2⅞	2½	2¾	2½	2½	2¼	2½	2⅜	2⅝	2⅜	3	2½	3	2⅜	2⅞	2½	2⅞	2¾	2⅞	2⅛	2½

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
F																								
Fairbanks Morse & Co *	23⅝	26⅝	24⅜	27	24⅞	28⅜	25½	27⅛	26¾	28⅜	24¾	27	24½	26½	22¼	25½	21	23½	21¼	23⅜	21⅛	23	21	23½
Fairchild Engine & Airplane Corp 1	7⅜	8⅞	8⅛	8⅞	8½	10¼	7¾	9	8¼	9	7¾	8⅞	7⅜	8½	7½	8⅝	6¾	8½	7¾	8¾	8½	9⅝	9⅛	10
Fajardo Sugar Co 20	21⅛	22⅜	20⅝	22¼	21¾	22⅜	22	22½	22	22¾	21	22¼	21	21⅜	20⅜	21¼	19	20⅜	20	20½	17½	20	16½	18⅛
Falstaff Brewing Corp 1	15	15⅝	15⅛	15¾	15¼	16¾	15⅝	16½	15⅛	15¾	14⅞	16	14¾	16⅜	14¾	15	14½	15	14⅜	15	15	16⅛	15¾	16¼
Family Finance Corp 1	18⅜	19	18⅛	18⅞	16½	18½	16½	17	16½	16⅞	15⅞	16¾	16⅛	16¾	16⅜	17⅜	16¼	17⅛	16¼	17	16⅞	17⅛	16¾	17⅜
5% convertible preferred series B 50	55½	57	56½	56½	50¼	54½	50¼	51	50	50⅝	48⅞	50¼	49	50¾	50½	51⅝	50½	50½	50½	51	51	51¼	51	52
Fansteel Metallurgical Corp *	27⅛	29⅛	25⅞	28⅜	27¼	31½	30⅜	34⅜	30¼	33⅛	26	30¼	26½	29⅝	23⅛	28⅞	21¾	24⅝	22¾	25⅞	23⅝	26½	23¼	26¼
Fedders-Quigan Corp 1	15¼	16⅜	15¼	17⅛	15½	18	15½	16½	15⅝	16⅛	14	15⅞	14⅜	15½	12¼	15¼	10¾	12¾	11¼	12⅛	11¼	13⅜	12¾	14⅛
Common rights	—	—	—	—	—	—	1/32	1/16	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5% conv cum pfd series A 50	56¼	60½	57⅛	63½	64	66½	58½	60½	61	61	—	—	57	60	50	59	44¾	45	48	48	48½	53	55	57½
5½% preferred 1953 series 50	—	—	—	—	—	—	50½	52	52	53½	48⅞	51	49½	50½	43	50¾	40	43⅛	42	43¼	43¼	45⅝	44½	48½
Federal Fawick Corp 2	6	6⅝	6⅝	7⅝	6⅝	7½	6⅝	7¾	6	6¾	5⅛	6½	4⅝	5⅜	4½	5⅛	3¾	4½	3⅞	4¼	3¾	4¾	3¼	4½
Federal Mining & Smelting Co 2	59	68½	65	69	64½	66½	60½	63¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Federal-Morgul Corp 5	24½	26¾	26⅛	27¼	25¼	27¼	24	25¼	25¾	27⅝	25¼	27	24¼	26	23¼	25¼	22½	24	22	25⅜	23¾	26½	23¼	24¼
Federated Department Stores Inc 5	44⅜	48	41½	46⅛	41¾	44⅜	40⅜	44	42	44⅜	42	44	40⅜	42⅛	38¾	42	35¼	39¾	36⅝	39¼	37¼	39½	39	40⅞
4¼% preferred 100	101	104	102	104½	103½	105¼	101¾	104	98	101¾	94½	98½	94	98½	96½	98½	97	99½	100	101¼	101	102½	99	101
Felt & Tarrant Mfg Co 5	11⅜	13	11⅞	12¼	11⅜	12¼	11⅛	12	11¼	11⅝	10¾	11⅝	10⅜	10⅞	10	10⅞	9⅝	10⅛	9⅛	10	8⅝	9½	8⅛	9¼
Ferro Corp 1	27⅜	29⅞	24⅞	27⅝	25	27⅜	23⅜	25⅞	23	24⅝	20	23	20⅝	22⅜	21⅞	24	19⅜	21⅝	19	20⅝	19¾	21⅜	20¼	21¾
Fidelity Phenix Ins Co of N Y 10	82¾	86½	81	83¼	81	85	78¾	81¾	71¾	80	68	73¾	70¼	74	71	77¼	67¾	73¾	71	74	72	79	76¾	80
Filtrol Corp 1	—	—	—	—	—	—	15	16½	14¼	15¼	13⅝	15⅞	14¾	18⅛	16	18	14¾	16⅜	15⅜	17¼	14⅝	16¼	14½	15⅞
Firestone Tire & Rubber Co 12.50	70¼	75¼	67¼	72¼	67	72½	62	69	62¼	64⅜	58	62½	55¼	62¼	55¾	60⅝	53⅝	59	57½	61¾	60⅛	64⅜	63¼	67
4½% series preferred cum 100	105⅝	106½	104⅜	106¼	105	106¼	105	106½	102	105¾	101¼	103	102¼	104	102½	104¾	102⅞	104½	103¼	107	104¼	105¼	104¼	106¾
First National Stores Inc *	43½	45	43½	46	42¾	45⅞	42	45¾	41	43½	42½	45¼	44⅜	46¼	44¾	50	44¼	50	48¼	51	47	50	47½	54
Firth Carpet Co 5	12⅜	13⅜	12⅜	13⅜	13	13⅜	12½	13⅜	11⅜	12⅝	10½	12⅛	10½	11⅝	10	11	9⅛	10⅛	9⅜	10¼	7¾	10	7¼	8⅞
Flintkote Co (The) *	28⅞	30¼	29½	31	29⅛	31⅝	29⅛	30⅝	29⅛	30⅞	27¼	29⅛	26⅞	27¾	26	28⅞	25⅛	26⅞	25⅛	27	25¾	28⅜	25¼	26⅞
$4 preferred *	99	99¼	99	100	97	99	96	98	97	98	96	97	96	96⅝	95¾	98	93	95	96	98	97	98	96½	97½
Florence Stove Co 1	21¾	22¾	22⅜	24½	22⅜	24½	22	23¼	20	22	19¾	20¼	18½	20	16¼	18⅞	16⅝	17½	16⅞	17½	16⅝	17½	16⅝	17¼
Florida Power Corp 7.50	23⅝	24¼	24	25	24	26¼	23¼	24⅝	23⅝	24⅜	21⅛	23⅞	23⅛	24⅞	24⅝	26¼	24⅜	26	25⅝	28⅜	28	29	28⅛	29½
Rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	3/16	5/16	—	—	—	—
Florida Power & Light Co *	32½	34⅜	34⅜	36¾	35¾	38¼	35¼	36⅝	33⅜	35⅝	31¾	33¾	33½	34⅞	33	35⅛	32½	34⅜	34⅜	39⅜	37⅜	39⅛	38½	39⅜
Florsheim Shoe Co (The) class A *	18⅛	21	27	29⅛	29⅛	29½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Follansbee Steel Corp 10	15⅝	17¾	15½	16⅜	16	17⅜	15	16½	15⅛	15¾	13¾	15⅛	13¾	15⅞	13⅛	15⅝	12	12⅜	12¼	13⅝	12¼	13⅜	11¾	13½
Food Fair Stores Inc 1	23½	25	22¾	24¼	23	24	23	23⅞	23	25¾	24½	26¼	24⅝	26⅜	26	28⅞	25½	26⅜	26½	28	26½	29	28¾	31⅞
$4.20 div preferred series of 1951 15	95½	99	95⅝	96	94¼	95⅝	94¼	97	94½	95½	93	95	94	94	95½	95½	92	95½	93	93	92¼	94	93	96
Food Machinery & Chemical Corp 10	41½	43¾	38⅞	42⅛	38	40⅝	36⅛	38⅛	36⅛	37⅞	33⅞	37¼	35¼	37½	35	37¾	33¾	36	33¼	38¼	36½	38⅞	37¾	40
3¼% cum conv preferred 100	103	103½	95	101¾	94	97	85	93½	88	91⅛	81	87	85	87½	85	86½	84	89	85	90¾	88½	90	86½	91½
3¾% preferred 100	95½	96¾	95½	99½	94½	95½	91	95	90½	91¾	89	92	89¼	91½	90¼	92½	90⅜	93	93	95	93½	95½	93½	95
Foster-Wheeler Corp 10	19½	23⅛	20⅛	22	19⅜	22⅜	17¾	19½	17⅝	19⅜	15⅜	17⅝	15⅜	18	16¼	18	14¾	16½	15⅛	17	16⅞	20⅛	18	21¼
Francisco Sugar Co *	11½	12⅞	12	13¼	12¼	13	11¾	13½	11⅝	12⅞	10	12⅞	9⅝	10½	9¼	10⅛	8	9⅝	7½	8¼	7½	8	6½	7¾
Franklin Stores Corp 1	12¾	13⅜	12¾	13¼	12¾	13⅜	11½	13½	11⅜	12¼	10⅝	11⅝	10¾	11⅛	10¾	11¼	10¼	11	10⅞	11⅝	10⅛	11⅝	9¾	10¾
Freeport Sulphur Co 10	41¼	44½	40½	45	44⅜	51¾	45¼	50⅝	46⅜	48¾	42¼	48⅛	42½	46½	39⅞	46⅝	39¼	42⅝	40¼	43⅜	42¾	47½	45¼	47
Froedtert Grain & Malting Co Inc 1	14	14½	13⅞	14⅜	13⅝	14	11	13¾	10	11¼	10	10½	10¼	10½	10¼	11	10½	11	10⅝	11	10⅞	11⅞	11⅛	11⅞
Fruehauf Trailer Co 1	24⅛	25⅞	24⅜	26¼	25	27¼	24⅝	26½	25	26⅜	23½	25⅛	22⅞	25	22¾	25¼	21½	23⅝	22	26¾	23	25½	22⅞	25¼
4% preferred cum 100	77	79	76½	78¼	75	78½	76	77	75¼	76⅞	77⅛	78	76¾	78½	74½	77	70	73¼	70	72½	70¾	74	68	72
G																								
Gabriel Co 1	5⅞	6⅝	6¼	6¾	6⅜	7⅛	6	6⅝	5⅝	6¼	5⅜	5¾	5½	6⅜	5½	6⅜	4½	5⅝	4½	5¼	4⅞	5⅜	5⅛	5⅞
Gair Co Inc (Robt) 1	18⅞	20⅜	19⅛	20¼	18½	20¼	17⅞	19¼	18¼	19¼	17	18½	18	19	16⅝	19¾	15¾	17⅝	17½	19	17⅞	18¾	18¾	20
Gamble-Skogmo Inc common 5	7¼	7¾	7⅝	8	7½	8	7½	8⅛	7½	7⅞	7¼	7⅝	7¼	7⅝	7⅛	7½	6⅝	7¼	6⅝	7	6¾	7	6⅝	7
5% convertible preferred 50	36½	37¾	36½	38½	37⅜	38⅜	36¼	38½	37⅝	38⅝	37¼	37¾	36¼	37½	36⅜	38	34⅞	36	35	35½	34½	35⅞	33½	35⅝
Gamewell Co (The) *	24½	27¼	23⅛	24½	23⅛	24⅞	23	24½	22⅜	23⅜	20¾	22⅝	21½	23¾	22	23¼	21	22½	22	23	21¼	22⅜	21⅛	23½
Gardner-Denver Co 5	26¼	28½	25⅜	28⅜	26⅛	28¼	26⅜	27½	26	27¼	24	26	25¼	26½	22½	26	21⅜	23¼	23½	23⅝	22¾	23⅞	22¼	23½
Garrett Corp (The) 2	30¼	33¾	30⅞	33½	28⅝	33¼	26	29½	27⅜	29¾	25	27⅝	24	26¾	25¼	29⅜	22¾	28¾	26	28¾	26¼	28	24¼	27¼
Gar Wood Industries Inc 1	6⅝	7⅛	6¼	7⅜	6¾	7½	6½	7⅛	6⅜	7	5⅝	6⅜	5⅛	6	4¼	5⅞	3¾	4½	4	4⅜	4⅛	4⅞	3⅞	4⅝
4½% cum conv preferred 50	34½	35½	33⅝	36¾	34½	37½	35	35	34	35½	32¼	33	31½	31¾	28½	31½	25½	28½	26	27	26¾	29¼	26	28½
Gaylord Container Corp 1.66⅔	25	27¼	25	26⅜	26⅛	29¼	26½	28¼	26¼	28	25⅛	27	24¾	26½	21¾	26	22	23	22	23¾	23¼	25½	23¾	26¾
General American Investors 1	26⅝	27⅝	25⅛	26⅞	25¾	26⅞	24	26⅜	24½	25⅜	22½	24¼	23	23¾	22	24	20½	22¼	20¾	22¾	22⅜	23¾	20	24½
$4.50 preferred 100	104	104⅝	103¼	104¾	102	103¾	100	102	99⅝	100¼	98¼	99⅞	98½	100	99¾	101½	100	100½	100¼	102¼	100	102¾	100½	104
General American Transport Corp 5	59¼	65½	64	67¼	66¼	70¼	64½	67¾	65¼	73¼	63¼	67⅝	67⅛	69¼	—	—	—	—	—	—	—	—	—	—
New 2.50	—	—	—	—	—	—	—	—	—	—	—	—	33⅜	34⅜	33⅞	36¾	31	34⅜	31¼	37⅛	34¾	37⅞	37½	40½
General Baking Co 5	13	13⅜	13¼	14	13¾	14½	13½	14⅜	13½	13⅞	13	13⅞	12	13⅞	12⅛	13⅛	11¾	12⅞	10⅜	12⅜	10	11½	10	10½
$8 preferred *	150	153	152½	154½	152	154¼	151	153	148	151	142⅛	149	142	144½	144	148	143	146½	143½	146	144½	147	142	143
General Bronze Corp 5	17⅝	19	20	22½	20⅝	22⅞	19⅝	21⅜	19¾	20¾	19	20¼	18¾	19⅝	19⅝	21⅜	19⅛	20	19⅝	20½	19¾	21½	17¾	21
General Cable Corp *	11½	12¼	11	12¼	11⅞	14	11½	13	12¼	13¼	11⅛	12½	11⅛	12	10⅛	11⅞	9½	10⅞	10½	12	11⅜	12	10⅛	11⅛
4% cum 1st preferred 100	76½	78	76½	76½	75	78	75	75¾	70	74½	71	74	72	73½	71	73½	70	71½	70	72	71½	74	70½	71
4% convertible 2nd preferred 50	33	33⅞	31½	33⅜	32¾	35½	31¾	33¾	33½	34½	31¼	33¼	32½	32¾	31	32¾	29½	31	31	32½	31	31¾	30	31
General Cigar Inc *	18¼	19¾	17¾	19¼	18¾	19½	17¾	18½	17⅛	18	16½	17¼	16⅝	18	17¾	19⅝	16⅝	18	17⅛	18¾	17½	18⅞	17¼	18¾
7% preferred 100	123	125	123½	127	125	129	126½	129½	123	126	121	123	121	126	122½	126	121	122¾	122½	125½	123¼	125½	117	124
Gen Contract Corp 6% series pfd 10	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	10⅞	11⅛	10¾	11	11	11½
General Dynamics Corp 3	42	44⅞	41½	44½	40	46¼	35	42⅛	35⅝	40⅜	31⅞	36¾	31	34¼	31	34⅜	31¾	35⅜	33⅝	36½	33	35⅛	34	36¾
$2 convertible preferred *	45	47½	44⅛	46½	43½	48½	37½	44¼	39	42	35½	40	36⅛	38¼	35¾	37½	35½	39	37½	39	36⅝	38	36½	39
General Electric Co *	68¾	73½	67⅛	69⅞	67⅞	73¼	66¼	70½	70⅛	75⅛	67¾	72½	71	73⅝	70⅝	77½	68⅝	73¾	73¼	82	80¼	90	85	92¼
General Finance Corp 1	10½	10⅞	10¼	11½	11	11⅜	10⅛	11⅛	10	10⅜	9¼	10	9½	9⅞	9¼	9¾	8¾	9⅜	8¾	9⅛	8⅞	9½	9¼	9⅞
General Foods Corp *	52½	54¼	52⅝	54½	52¼	55⅞	52¼	54¾	52½	56	50⅞	54	52⅝	56½	53½	56¾	53⅞	58	54¼	57⅞	57⅛	61½	59	61¾
$3.50 preferred *	92	94¾	91⅜	92⅛	89⅞	91¾	91	91	89½	90	88½	89	89½	93	91	93	91	93	93¾	93¾	93¾	93¾	92¾	94½
General Instrument Corp 1	10¾	12⅝	11⅜	12¾	12¼	14½	12⅜	13⅜	12½	13⅜	10⅝	12⅜	11¼	12⅝	11¼	13¼	10⅜	12	11	12	10½	11⅝	9¾	11⅜
General Mills Inc *	56⅞	61	56¼	59¼	56⅛	58¼	56	58½	54⅝	57	52	56¼	53⅛	57	53¼	57⅝	55½	58¼	55	58½	58	60⅜	58½	61
5% preferred 100	122	124½	121½	123½	120½	122	117	120⅝	115⅞	118½	113½	116	116	119	118½	120	115	118½	118¾	121½	120	121	118½	121½
3⅜% convertible preferred 100	117	119	115	118	114¼	115¼	114	115½	110	112	106	112½	110	111	108	114	112	115	112	112	116	116	117½	118⅛
General Motors Corp common 5	65	68⅞	64⅜	69¾	62½	68⅜	59¾	63	60½	64¼	58	61⅞	57¾	60¾	55⅝	60⅞	53⅝	56⅜	55¾	61	57¾	61⅜	58	60⅞
$5 preferred *	122	123½	121⅛	123½	119⅝	122	117⅞	120¼	115	118⅜	112½	116¾	115⅜	118¾	116½	119	115½	119½	118⅝	122	117½	121½	118⅞	120¾
Preferred $3.75 series *	97	99⅛	96¼	97⅝	96	97½	92¾	95½	92¾	94¼	92	94¼	93	95	93⅛	95⅜	91	93½	93	96¼	94	96	94⅛	95½
General Outdoor Adv Co Inc *	23⅛	24⅛	23⅝	25½	23¾	25⅜	23⅝	24¼	23½	24⅝	23	23⅞	23½	24¾	22	24⅝	21½	23	22	24⅛	22¼	23¼	22⅜	23⅜
General Portland Cement Co 1	48	50	47⅛	49¾	49¼	54½	50⅝	53¾	51¼	52½	44¾	51¾	46½	49¼	42¼	51⅛	42½	46½	44	48½	48¼	51¾	47¾	49½
General Precision Equip Corp 1	21¾	23	22½	26⅞	24½	27⅜	23⅛	25¼	24⅛	26⅛	21¾	24⅛	21½	23⅜	22½	23⅞	21⅛	23⅜	22	23¾	21⅜	24⅜	23⅛	26⅞
Common rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	½	1⅜	—	—
$2.90 convertible preferred *	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	55¾	59½
General Public Service Corp 10c	3⅞	4¼	4	4⅛	4	4¼	3⅞	4¼	3⅞	4	3⅝	4	3¾	4	3¾	4	3¾	3⅞	3¾	4	3⅞	4⅛	3½	4⅛
Rights	⅛	¼	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
General Public Utilities Corp 5	26⅜	27⅛	26⅞	27½	27	29	25⅝	28	25¼	27⅜	23½	25⅜	24½	25¾	24⅛	26	24⅛	26⅛	25¾	27½	27⅜	28¾	28⅜	29½
Rights	—	—	—	—	—	—	—	—	—	—	1/64	5/64	—	—	—	—	—	—	—	—	—	—	—	—
General Railway Signal Co *	34½	37¾	33½	36⅛	33½	35¾	31¾	34⅛	32¼	34	29½	33¼	29¼	31½	27½	31¼	25	28	26¼	28	26⅜	29⅛	26	31
6% preferred 100	125	126	125	130	129	130	123½	127½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
5% preferred 100	—	—	—	—	—	—	—	—	93	98	96	98	99	99	98	98½	98¾	99⅜	99½	100	99	100	98½	99½
General Realty & Util Corp 10c	10¼	10⅝	10⅜	11	10¾	11⅜	11	13	11⅜	12⅞	11⅛	11⅞	11¼	11⅞	11	11⅞	10⅜	11⅛	10⅝	12¾	11¾	12½	12¼	14
General Refractories Co *	22¾	25	23⅞	25¼	22⅛	24⅞	21⅛	22¾	21⅞	22⅞	20½	22⅝	20¼	21½	20⅛	22½	19	20½	19⅛	21⅞	21½	22⅝	20¼	21⅜
General Shoe Corp 1	43½	47	44	45¼	43¾	48	46¼	51	48¼	49½	46½	49	43⅞	47	44½	46¾	42½	44½	41¾	44¼	40¾	43	42	43¼
General Steel Castings $6 preferred *	92	94½	93	95	93½	96¾	90	94¼	90	92½	89½	92½	88½	90¾	89	92⅝	89	92	89¼	90¼	89	90	86½	90
General Telephone Corp 20	34¾	37⅞	36	38¼	37¾	39¼	37¼	38¼	37¼	40	36¼	39⅝	39¼	40¼	39⅛	39⅞	37⅛	39⅜	39⅛	41	40⅞	45½	43⅞	45¼
General Time Corp *	28⅛	31	29¼	31⅛	28½	30¼	28	29½	28¼	31	27½	30¼	27	30	27	29½	25¼	28¼	26	28	26⅛	27¾	25¼	27¼
4¼% preferred 100	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	99	100	100	100	100	100	—	—
General Tire & Rubber Co 2.50	30½	33¼	31	33⅜	30¼	34¾	28⅝	31⅞	29¼	32½	27¼	30¼	27¼	28¾	25	29¾	22¾	26	24¾	28½	26½	28⅞	27¼	29⅝
4¼% cum preferred 100	80¾	84	80	81	80½	83	82½	82½	82	85	80	82	80	82	80	80½	77½	77½	76	78	77	79	74	79
3¾% cum preferred 100	72	72	—	—	74	74	73½	74½	—	—	70	71	69	71¾	69	71	70½	72½	72	73½	72¼	74½	74	76
Georgia-Pac Plywood & Lumber Co 1	16¾	18¼	17	18⅛	16¼	17⅞	15⅞	16⅞	15	16	12⅜	15¼	12½	13⅜	12⅛	13¼	10¾	12½	9¼	11¼	9¾	11¼	9¾	10⅝
Gillette (The) Company common 1	32¼	35⅜	33¾	36¼	34¾	37½	34⅝	37	35¾	39½	35⅝	40	37¼	40½	37¼	40⅜	36⅜	38½	37¾	44⅜	41⅜	45⅛	45	49½
$5 convertible preference *	97	99¼	99	100	98¾	100½	98⅞	100¾	98¾	100	96½	98½	97¼	98¼	97¾	101	98	100⅜	98¼	101½	101	102	101½	160
Gimbel Bros Inc 5	14¾	16¼	14⅛	15¼	14⅝	16¾	14¾	15⅞	15⅜	16⅛	14⅛	15⅜	14⅜	15⅜	14⅛	15¼	12⅝	14⅝	13¾	14¾	13⅞	14⅝	12¾	14⅜
$4.50 preferred *	81½	81½	79⅞	80¼	80	81	79½	79½	80	80¼	81¼	81¼	79½	80¾	81	81¾	80	81⅞	81¾	82¼	81	81¾	80	81½
Gleaner Harvester Corp 2.50	19⅞	21⅛	20	20½	20	20½	18⅝	20⅛	15	19¾	14½	15¼	13⅛	14½	11	13⅜	10⅛	11⅝	10⅛	11	10⅛	12½	10⅜	12⅜
Glidden Co (The) *	34½	36½	35	36½	34½	38⅛	33⅜	35¾	33¼	34⅞	30½	33½	31⅛	33⅛	29½	33⅛	28	30¼	27⅞	29⅜	28⅜	29¾	28¼	29¾
Goebel Brewing Co 1	7⅝	8⅝	8	8⅝	8	8½	7¾	8¼	7¾	8⅜	7¾	8⅛	7⅝	8	7½	7⅞	7	7¾	7	7¼	6⅞	7¼	6⅝	6⅞
Gold & Stock Telegraph Co 100	132	134	132	134	133½	134	133	135	133	134	130½	132	131	131	—	—	131	131	131	131	132	137½	139½	139½
Goodall-Sanford Inc 10	17¼	18⅜	17½	18⅜	16¾	19	16½	17⅜	16¾	17⅜	12	16⅝	12⅝	13⅜	12	12⅞	11	12½	11⅜	14⅞	12½	15	14⅛	17
Goodrich (B F) Co 10	74¾	80⅝	72¾	79¼	69¼	77¾	66	72	65	69	62¾	68⅞	65¼	69⅝	62¼	69¾	60¼	64¾	61¾	71⅞	70	76½	76⅜	79¾
Goodyear Tire & Rubber Co *	51¾	55¼	50½	54¾	52	59	51¼	53⅞	51⅛	56¾	47¼	52	47⅜	50¾	45½	51⅜	43¾	47¾	46½	51¾	50¼	53½	52¼	54⅜
$5 preferred *	105⅝	107¼	106	108½	106½	108	105½	106½	104¾	106½	102¾	104	104¼	106	104¾	105¾	104⅜	106	105	106¼	105¼	106½	105⅛	106¼
Gotham Hosiery Co Inc *	8⅛	9¾	8¼	9⅜	8⅞	9½	7¾	8¾	7⅝	8	6¾	8⅛	6¾	7⅝	6⅛	7¾	5½	6¼	5½	6¼	5⅛	6⅛	4½	5⅝
Gould-Nat Batteries Inc 4	57¼	61½	57⅛	60	57	58½	51	55	51⅛	54½	52½	54⅜	52½	61¾	53	60	51½	53	52	53	53	55	49	53
Grace (W R) & Co *	—	—	32⅜	33	30¼	33⅜	27¾	30½	26⅛	28¼	26⅛	27½	26	27½	24⅞	27⅝	24¾	26½	25⅛	26⅛	25¼	28⅜	26	28¼
Graham-Paige Corp *	2¼	2½	2⅛	2⅝	2¼	2¾	2⅛	2½	2	2¼	1¾	2⅛	1½	1⅞	1½	1¾	1⅛	1⅝	1¼	1⅜	1⅛	1⅜	1	1¼
Grandby Cons M S & P Co Ltd 5	7	8½	7¾	9¼	7⅞	9⅛	7¼	8⅜	7⅛	7⅝	6¾	7⅜	6⅞	7⅜	6⅞	8¼	7¼	8⅞	7½	8	7⅛	7¾	7	8⅜

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Grand Union Co (The)....10	28⅛	29¼	27¾	29⅞	29¼	31½	27¾	31⅛	27½	28¾	26½	29⅜	28¼	29⅜	28⅝	30¼	27	29⅜	28⅝	31	30	33⅞	33⅛	34⅝
Granite City Steel Co....12.50	18½	20⅞	17	19	17⅝	19⅛	17⅛	18¼	17⅜	18	16⅛	17¾	16	17⅝	15¼	17⅞	14¼	16¾	14⅞	16⅞	16	16⅝	14⅞	16¾
5½% preferred....100	96	98½	93⅞	95	93½	95¼	93⅝	94⅜	93	94	90½	93	91	91	89⅜	91½	86½	90½	85½	91	88¼	90	85½	90
Grant (W T) Co....5	31¾	33½	30⅛	32¼	30⅞	33	31½	33½	31⅛	33¾	30	31¼	29¾	31½	31⅛	33⅛	31½	32¾	31¼	32¼	31⅜	33	32½	34⅛
3¾% preferred....100	95	97	95	97¾	93⅜	94	91½	94	86½	91	86½	87½	86¾	91	91½	92½	88½	91	90¼	96	95	96	93	95
Grayson-Robinson Stores Inc....1	15¼	16⅜	14⅝	15⅝	13⅞	15¼	13	15	13	13⅞	12½	13¼	12¼	13	11⅛	12⅞	10¾	11⅝	9½	11⅛	9	9½	7	9⅛
$2.25 cum conv pfd....*	35½	38	34⅞	37½	37⅝	39½	36	39½	35	36	35	36	35½	36½	35⅝	36¼	33⅝	35⅝	31½	33	31½	32¾	28½	31⅝
Great Northern Iron Ore Prop....*	14⅜	15	14⅝	15⅝	15½	19⅜	17⅜	18⅜	17¼	18	16	17⅝	16½	18	16⅝	17⅞	16	17	16⅝	18⅛	17¼	19½	16⅛	17¼
Great Northern Paper Co....25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	52	56	52½	55
Great Northern Ry 6% preferred....*	53½	56½	55½	58⅜	53⅛	58⅝	51½	54⅞	53⅜	56⅝	52⅛	55⅞	53⅝	56¾	49¼	57⅜	47	51½	47¼	50	47⅝	51¾	45	49⅝
Great Western Sugar Co....*	17½	18⅝	18	19	17¾	19¼	18½	19	18⅝	19	17½	18⅞	17⅝	18⅛	17⅞	18⅜	17¼	18	17½	18	17¼	17⅞	17⅛	17¾
7% preferred....100	138	140	138¼	140	136½	141	134⅜	138	132½	137	128¾	133	128⅜	131½	129½	133	131½	134	134½	136½	134	136	130	134½
Green Bay & Western RR Co....100	67	73½	67	73½	65	66	64½	67½	65	66½	70	70	70	70	--	--	68	68½	70	70	72	72	75	78
Green (H L) Co Inc....1	34¾	40⅛	34¾	36⅜	35⅛	37¾	34⅛	35⅞	33⅜	35½	30¾	33½	31	32⅞	32⅛	34⅞	33⅝	34¾	33¾	34½	33⅛	34⅜	29⅝	33¼
Greenfield Tap & Die Corp....*	19⅞	21½	21	22	21⅜	23¾	20½	21⅞	20¾	21¼	19⅞	21½	20⅛	21	20	21⅜	19⅛	20½	19⅞	21½	20¼	21½	20⅜	21½
Greyhound Corp (The)....3	12¼	13	12⅝	13	12⅞	13⅛	12¾	13	12⅞	13¼	12¾	13⅜	12⅞	13⅛	13	13⅝	12⅞	13⅝	12⅞	13½	13⅜	13⅞	13½	14⅛
4¼% perferred....100	94½	95½	94½	95⅜	94½	95½	93¼	94⅛	88	91¾	87½	90½	87⅜	91¼	87½	91	90½	91¼	91¾	94	91½	93	89	92
Grumman Aircraft Eng Corp....1	25¾	28⅛	25	27⅞	22¾	27½	20¾	23½	21⅛	23⅝	20	22⅛	19⅜	21	20⅛	22⅞	19⅜	21⅜	20½	23¼	21½	23¾	21⅛	24¼
Guantanamo Sugar Co....1	7⅛	8⅛	7⅛	8	7½	8⅛	7⅜	8	7⅜	7⅞	7	7⅝	6¼	7⅛	5⅛	6¾	5	5⅝	4⅞	5⅛	4⅞	5⅛	4¼	5
Gulf Mobile & Ohio RR Co....*	36⅛	38⅛	33⅜	37	33½	36½	30½	33⅞	33⅛	36½	31⅛	35⅜	33⅛	34½	29	35⅜	27	30⅜	27⅞	30⅝	29	31¾	26⅜	30¼
$5 perferred....*	74½	77	74	76½	74¼	76	73	74	73½	76¼	69¾	74½	69¾	71¾	68⅝	71½	66¾	70	68¼	70	70	72¾	67¼	72⅝
Gulf Oil Corp....25	47	50⅜	47⅝	49⅞	48⅝	50⅝	44⅝	49¾	44⅝	46⅞	42½	45⅜	44⅝	48¼	43¾	48¼	41¼	44¾	42¾	46¼	43½	45⅜	44	47½
Gulf States Utilities Co....*	26⅜	28⅝	27¾	29½	28⅞	31¼	28⅛	30	27¾	29⅝	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New....*	--	--	--	--	--	--	--	--	21⅛	23	20	22	21¾	23⅞	22¾	24	23	24½	24½	25⅜	24½	27½	25⅞	28½
$4.20 div preferred....100	102½	103½	102	102	100½	102	--	--	--	--	91½	92	90	95	--	--	97	97	--	--	97	100	98	98¼
$4.40 div preferred....100	103	105¾	102	104¼	101¾	103	100	101½	98	101	92	96¾	93¾	97	96	99	98	99	98	101¾	100¾	104½	104	105
$4.44 div preferred....100	103	105	103½	103½	102⅜	102½	100	100	98	98	--	--	97	100	100	100⅝	99⅜	100	100	102	103	103½	103⅜	104½
H																								
Hackensack Water Co....25	33¼	35	34¼	35½	34¼	36¼	33¾	34¾	34½	35¾	34⅜	35½	35¼	35½	34	35½	32½	34½	32½	34¾	34¼	35	34⅝	34¾
Halliburton Oil Well Cementing....5	49¾	54⅜	52½	56½	51	54¾	50	55¾	51½	56¼	48⅜	54¼	53⅝	56¼	56	58¾	--	--	--	--	--	--	--	--
New....5	--	--	--	--	--	--	--	--	--	--	--	--	27	28¼	25½	29½	23⅝	27	25½	28¼	27¾	30	29⅜	30⅞
Hall Printing Co....5	16	17	16¼	17¾	17½	18⅛	16½	17¾	16⅝	18	16⅝	18	16⅝	17½	16⅝	17⅜	16¼	17	16⅛	17	16¼	17¼	17	18¼
Hamilton Watch Co....*	13⅛	14	13⅝	14	13½	13⅞	12¾	13½	13	13½	12¼	13	12⅝	13	11¾	13⅛	12	12½	12¼	13⅛	12⅝	13	12⅛	12⅞
4% convertible preferred....100	69	71	69	70	68	69	66½	68¾	65	67½	65	66	65¼	67¼	66¼	67½	65	65¼	66	67	64½	67	61⅝	65
Hammermill Paper Co....2.50	15½	16⅝	15½	16⅜	15½	16	14¼	15⅝	14⅜	15⅜	13⅝	14¼	14	14⅜	13¼	14¼	12⅛	13⅝	12⅝	13¾	12¾	14	12⅛	13⅛
Hanna (M A) $4.25 preferred....*	104¼	104¾	104⅝	105½	104⅝	105½	105	105	101	105	100	102	102⅛	103	101½	102½	101½	102½	103½	104	102½	104	102¼	103½
Harbison Walker Refrac Co....15	29½	30⅞	29	31	28	29⅞	27½	29¼	27¼	29¾	25¼	27⅝	25¼	26⅝	24¼	26⅝	22½	24⅞	24	26½	24¾	26½	24⅜	25⅞
6% preferred....100	140	140	142	145	--	--	142	144	139	140	131½	135	131	131	131	132	131	131¼	131¼	134½	133	134	131½	134
Hart, Schaffner & Marx....10	23⅛	24⅝	23	23⅞	23½	25⅞	23⅛	25⅛	23⅝	24⅜	22½	23¾	23	25¾	23⅝	26⅛	22⅜	24½	23	24½	23⅝	24⅜	22¼	24
Hat Corp of America....1	5½	6¼	5⅞	6⅝	6¼	6¾	6¼	6¾	6¼	7⅛	6	6¾	6	6¼	5¾	6¼	4⅞	5⅞	5¼	5⅝	5¼	5⅝	5⅛	5¾
4½% preferred....50	35¾	36	35	36	34½	35⅜	34	35½	33¾	35½	33½	34½	32¾	34	33¾	34	33½	33⅞	32¾	33½	32⅛	33¼	31½	33
Hayes Industries Inc....1	11⅜	12½	11¾	13⅜	13⅜	14¾	12¼	13½	12⅞	13¾	13¼	14⅝	13½	14⅝	12¾	14¼	11⅞	13¼	13	14⅜	12¾	14¾	13	13⅛
Hayes Manufacturing Corp....2	7⅛	7⅞	7¼	8	7⅜	8¼	7	7⅞	6¾	7⅛	6½	7	6¼	7	5⅞	6½	5	6	5½	5⅞	5½	5¾	5¼	5⅞
Hazel-Atlas Glass Co....5	20	20⅞	19⅝	20⅝	19½	21	19¼	20	19⅛	19⅞	17¾	19½	18	19	18⅛	19¼	17½	18¼	17¼	18	17¼	18¼	17	18⅜
Hecht Co....15	28⅞	29⅞	28	29⅛	28⅛	29⅜	27¾	29⅛	26¾	28	25⅝	27	25¼	26⅛	24½	26⅜	23	25¼	23	24¾	23¼	24½	21½	23⅝
3¾% preferred....100	82½	86	82	84½	84	85	84	84	82	84	78½	81	80½	80½	81	82½	80⅞	82½	82	83	85	87	84	85
Heinz (H J) Co....25	31½	34½	33	34	33	33¾	33½	33½	32¼	33¾	31	33½	31	31¾	31½	33½	31½	32½	31½	32½	33	33⅜	31¼	33⅝
3.65% cum preferred....100	97	97	95	95½	94½	94½	91	95	91½	91½	92	94	92¼	94	92	93	92½	94	92½	96	93⅞	95	92¾	94
Helme (G W) Co....10	24⅛	25¾	25	26⅛	25½	26	24½	26	24⅛	25¾	23⅝	25¼	23⅛	24¼	23⅜	24	23	23¾	22¾	23¼	22¼	23⅛	21⅛	22⅞
7% non-cumulative preferred....25	37¾	38	36½	38¼	37½	38½	37	38	36	38¼	35⅛	37¾	36	37	36	37	36½	36⅝	35½	36¼	36½	37	34½	36½
Hercules Motors Corp....*	18½	19	18⅛	19¼	18½	19¼	18¼	20⅝	18⅝	20	17½	19	17¼	17⅞	16½	18	16	17¼	15⅛	16½	14⅛	15½	13⅞	15
Hercules Powder Co....*	71¾	74¾	68	72½	67½	70½	67	70	66½	69¾	62¼	67⅛	62½	66¾	65½	68¾	60¼	66¼	60¾	67	65¾	69¾	66½	69¾
5% preferred....100	125	126⅛	123⅛	125½	123⅜	124	121½	123½	116	120	113	116⅜	115	119½	118¼	122	115¾	118	118	120¼	120½	121¾	121¼	123
Hershey Chocolate Corp....*	41½	42½	41½	44¼	41⅞	43½	42	43½	41½	42¾	39	42	39½	40⅜	39¼	40½	37¾	39½	38½	40	39⅛	40¼	40	41
4¼% preferred series A....50	52	52⅛	52⅛	52½	52	52¼	52¼	53½	50	51¾	48¼	50½	50⅞	51½	50½	51¼	49	51¼	51	53	52½	52½	52½	53⅜
Hewitt-Robins Inc....5	24⅝	27¼	25¾	27½	27⅛	29	25¼	28⅛	26¼	28¼	25	26¾	25	26¾	24¼	26⅜	23⅝	24½	24½	26	24	25½	25	26½
Heyden Chemical Corp....1	16½	18¾	16⅞	18⅞	16	17¼	14½	16⅜	12½	14⅞	12⅞	13⅜	13	13⅜	12¾	15	12⅛	17½	14⅜	17⅜	16¼	17⅝	14	17½
3½% cum pfd series A....100	71¾	73½	71½	73½	71¼	72½	70⅝	72½	69⅛	71½	66½	69⅛	65¼	66½	62	65	62½	66½	65½	71	68½	71½	67	71½
4⅜% conv cum 2nd preferred....*	87	90¾	87½	91	85	88½	81½	85	80¼	84	77¾	80½	78	81	75⅞	80¾	72⅝	80	75	83	80½	84	80	87
Hilton Hotels Corp....5	15⅛	17	16	16⅞	16½	17⅝	17	19	17⅜	18⅛	16⅝	17⅞	17⅛	18¼	16⅝	18	16¼	17½	17	18½	17¼	19⅜	18¾	20
Hinde & Dauch Paper Co....10	22¼	24½	24½	26	24¾	27½	24½	26⅛	25¼	28	23¾	27	26⅝	31½	25¾	30½	25	27	26	29	28¾	30⅝	29⅞	33
Hires Co (C E) The....1	9¾	10⅜	10¼	12⅛	11⅛	12½	10⅝	11½	10⅝	11¼	10	10¾	10¾	11⅛	9	11	8⅞	9¼	9	9⅛	8⅞	9¼	8⅞	9⅜
Holland Furnace Co....5	20	21¾	20½	21⅞	16¾	22	15⅛	16⅞	15	15¾	13⅝	15½	13⅜	14¼	13¾	15¼	12¼	13⅞	11	12⅝	11	12⅜	10⅝	12
Hollander (A) & Son Inc....5	7⅛	7⅝	6⅝	7½	7	7½	6⅝	7⅛	6⅞	7¼	6⅝	7	6⅝	6¾	6½	6⅞	5⅝	6¼	5⅜	5⅞	5⅜	6⅜	4¾	5⅝
Holly Sugar Corp....10	16¼	17⅜	16¼	17	16½	17½	16⅛	16⅞	15¾	16½	15⅛	15⅞	15¼	17	15¼	16⅝	14	15¼	14¼	15⅛	14⅜	15	14	14⅝
5% convertible preferred....30	28	28¾	27⅞	28¼	27½	28⅛	26¼	27⅛	26¼	26¾	26⅛	26¾	26⅜	26¾	26⅞	27⅜	26⅝	27¼	26¼	26⅝	26⅛	26⅝	25	26¼
Homestake Mining Co....12.50	37¼	39⅞	37	40⅞	39⅛	41⅜	38½	40⅞	37⅛	39⅞	36¼	37¾	36	37½	35⅞	38	34⅝	36⅜	33¼	37½	33⅝	35¾	32⅞	35⅜
Honolulu Oil Corp....*	49	52¼	48	50¾	50½	55¾	48¼	52½	48¼	50⅝	47¼	53¼	50½	55¼	53¼	57	47¾	53½	47	50¼	47¼	50	49	58
Hooker Electrochemical Co....5	57	64⅝	57⅝	60¾	60½	63½	58½	62½	59	63	57⅜	62	56½	61	57	59½	55	59	55¾	58½	56	59	56½	61½
Rights	--	--	31/32	⅞	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
$4.25 cum preferred....*	100	101½	95	102	95	96½	92	97	92	93½	90½	91½	91½	92¾	93	96	91	94¼	93	95	96	96	93	96½
$4.20 div 2nd preferred series B....*	--	--	--	--	109½	116½	108½	113	107	109¾	106	107¾	105¾	109½	106¾	111	104	108	103¼	105¾	105	108¾	107½	110¾
Houdaille-Hershey....3	13½	15¾	15¼	16¼	15½	17	14⅞	15⅞	14¾	15½	13⅝	14¾	13⅝	15	13⅛	15⅜	12	13⅝	12⅝	14¾	13½	14⅞	12⅞	13½
$2.25 conv preferred....50	33⅛	36¼	34¾	36¼	34½	35⅞	33⅝	34¾	33½	33⅞	32½	33⅞	32¼	33	33	33⅞	32½	33¾	32¼	33	32½	33⅞	32	33¼
Household Finance Corp....*	46¾	51¼	48¾	57½	48½	53	46	49½	42½	46¼	42½	43¾	42	44	42½	45⅝	43¾	45	42½	45¾	43	46¼	46	51
3¾% preferred....100	88¾	92½	91¾	93½	89¾	92½	84	88½	83	84	80½	82	82½	84	84¼	86½	86½	89¾	88	91½	88	90½	84½	88
4% preferred....100	98	99¾	97½	98	95½	98	96	96	94⅝	96	92⅛	95¼	91	91½	91½	92	92	92½	95	95½	95¾	95¾	94	94¾
4.40% preferred....100	103	103⅜	102¾	103¼	102½	103¼	102¾	102¾	99½	101	96	99⅛	97½	97½	100	100	99½	99½	99	99¾	--	--	101	101
Houston Light & Power Co....*	25⅜	26⅛	24¼	26	24⅜	25⅞	24⅜	26½	24⅜	25⅛	22	24⅝	23	24⅜	24⅛	25	23¾	25	25	26⅝	26½	27¾	27⅝	29⅛
Houston Oil Co of Texas (Del)....25	65½	71	65¾	69	64½	68	64	74½	72½	79	67¾	74¾	64¼	70½	60¼	68	54	63	58½	64⅛	63¾	68	64½	69¼
Howard Stores Corp....1	16⅜	17⅜	16½	16⅞	16⅜	17	16½	17	16⅝	17¼	16	16¾	16⅜	16⅝	17	17⅛	15¾	16½	15¾	16½	15¾	16⅛	14	15¾
Howe Sound Co....1	19¼	21¼	18¼	20⅛	16⅞	19⅜	14½	17½	12⅞	15	12⅜	14⅛	12	13⅜	11⅜	12⅞	9⅝	11¾	9⅝	11⅜	10¼	13⅛	11¼	13⅜
Hudson & Manhattan RR Co....100	4⅛	5⅜	4¼	5¾	5	8	4⅛	5⅛	4	4⅞	3½	4⅝	3¾	4¼	3⅝	4½	3½	4	3¼	3¾	3⅛	3½	3¼	4¼
5% non-cum preferred....100	10¼	11⅞	10	11⅜	10½	14½	9	10¼	9	10	8⅜	10¼	8⅝	9¼	9	9⅞	7⅞	8¼	7	7⅞	7⅛	7⅛	7⅛	8¾
Hudson Bay Mining & Smelt Co Ltd....*	56⅜	59½	55¼	59¾	52⅜	56⅞	45¼	53½	43¼	48¼	40¼	45½	45	47	40¼	45¾	38¼	41¾	36¼	41	39	43⅞	38¾	44
Hudson Motor Car Co....12.50	16	17	14¾	16⅝	14⅞	16½	14⅛	15¼	13⅝	14¾	12¾	13¾	11⅜	12⅞	11	12⅜	9⅛	11⅞	10⅛	12⅜	10⅝	12⅞	10½	11⅞
Hunt Foods Inc....6.66⅔	19	19½	18	19¼	16⅝	18½	17¼	18⅜	16	17½	13⅞	16¼	13⅛	14⅛	14	16⅛	13⅞	14⅝	13¾	14⅛	13⅝	15	12¾	15
Hupp Corp....1	4¼	4¾	4⅛	4⅞	4⅜	5⅜	4⅛	4⅝	4	4⅜	3½	4	3½	3¾	2¾	3¾	2¼	3	2⅝	3	2⅝	2¾	2¼	2¾
Hussman Refrigerator Co....*	22½	24	22¼	23	22¾	24	22¼	23½	21¾	22¼	19½	22	20¾	21½	19½	20⅞	18⅝	19¾	19½	20½	19¼	20⅜	18¾	20¾
I																								
Idaho Power Co....20	42¼	46½	42¾	45	44½	48¼	44	47	40¼	45½	40⅜	43	41¼	43¾	41¾	44	41¾	43½	42⅜	44	43⅝	46½	44	46¾
Illinois Central RR Co....100	81¼	88½	79¾	87¾	78½	85	71½	80⅜	74	80½	71¾	78	75½	80⅜	71	80⅞	65⅛	73	66½	72⅝	70⅝	78¼	75	79½
Non-cum conv 6% series A pfd....100	109	109	109	112	109	110¾	107½	110	107½	109	107	107	104½	105	103	106	101½	110¼	103½	109¼	104¾	106	106½	110
Illinois Power Co....*	38⅜	41½	39¼	40½	39⅞	41¾	38	40¼	37½	39	35⅛	38⅝	37⅜	39½	38	40⅛	36	38⅛	37⅛	40	39¾	42	41	42⅜
4.08% cum preferred....50	48½	50	46½	47¾	48	48	44¼	44½	44	45¼	44	44½	44½	46¼	45⅝	46⅝	45	46¼	46	48½	47⅜	48	48	49½
4.26% cum preferred....50	52	52	51½	52	--	--	--	--	46½	48½	46½	46½	--	--	47	47½	46	48	48	49½	49½	49½	49	50
4.70% preferred....50	52¾	54	--	--	52⅛	54¼	52	52	51	52	49⅝	49⅝	50	51½	51½	51½	50¾	51½	51¾	53	52¼	52¾	--	--
4.42% cumulative preferred....50	--	--	--	--	--	--	50	50¾	48½	49¾	--	--	49¾	50½	50½	50½	49	50	50½	52	51½	51⅞	51¼	52
Illinois Terminal RR Co....5	7¾	8⅛	8⅛	8½	8¼	10¼	8⅞	11¼	9⅛	10⅜	9¼	10¼	9⅜	10¾	9¼	10¾	8¼	9⅝	8¼	9⅛	8¼	9⅛	8	8⅞
Indianapolis Power & Light Co....*	37¾	39⅞	38¼	39¾	39¼	40¾	37¾	40	35¼	39⅜	34⅜	35¾	35¼	36⅞	37⅛	39	36¾	38½	37⅜	39½	39	40¼	40⅛	42¼
Industria Elect de Mexico S A....100 pesos	4¾	5⅜	5	5¼	5⅛	6¼	5¾	6	4⅞	5½	4⅝	5	4¾	4⅞	4¼	4¾	4¼	4½	4½	4½	4⅜	4½	3½	4½
Industrial Rayon Corp....1	52⅛	56½	51½	55	49¼	52	45¼	51¼	41	46⅞	40½	45	41⅜	45⅜	41⅝	45	38½	44¼	38½	41½	40¼	42⅞	39¼	44¼
Ingersoll-Rand Co....*	95	101	92	98½	93	98¼	91	98	91	96½	85¾	91	86	90½	84½	89	84	89	87¾	94⅞	90¾	95¼	94¾	100
6% preferred....100	156½	161¼	156	157	155	156	151	154	151½	152½	151½	153½	154	154	158	158	154½	156	159	159	--	--	164	165
Inland Steel Co....*	45⅛	48	42	45¾	42¼	45¼	40⅜	42½	38⅛	42⅜	37⅝	39¾	38⅞	41⅜	36¾	42¼	35⅞	39⅞	38½	41⅞	40⅝	42¾	39½	42½
Inspiration Consol Copper Co....20	25⅝	27⅝	26⅝	29⅝	25	29	23¾	26	24¼	25⅞	22½	25	22⅜	23¾	21¾	23⅞	18⅝	21½	19¾	24½	23⅛	25⅛	19⅝	22¾
Insuranshares Certificates Inc....1	14⅝	14⅝	14⅜	14⅝	14¼	15½	14⅛	14⅝	14	14½	13⅝	14⅛	13½	13¾	14¼	14¼	13⅝	14	14⅛	14¼	14½	15¾	15⅜	15⅝
Interchemical Corp....5	22⅛	23⅛	21⅝	23¼	22	23⅞	22½	24⅜	23	24¾	21¾	24⅜	23¾	24¾	22⅞	24⅝	21¼	23¾	23	25	24½	26⅛	24⅞	26
4½% preferred....100	91	92⅞	91½	92¾	92	92½	90	92½	90	92½	90	92⅞	87	91½	86	88¼	87	90½	87½	90½	88	90	89	91½
Intercontinental Rubber Co....*	3½	3⅞	3⅜	3⅝	3⅛	4⅛	3½	4¾	4½	5¾	4½	5⅜	5	5½	4⅞	5⅞	4½	5⅝	--	--	--	--	--	--
Interlake Iron Corp....*	16⅞	18	17⅜	18⅜	17½	19¼	16⅞	18⅛	17⅜	18½	16¼	17¾	16⅜	17	15⅝	17⅛	13½	15⅞	14⅛	15¼	14⅞	16⅛	14⅛	15¼
Internat'l Business Machines Corp....*	228½	237½	226	238½	237½	254½	227	244	229	244	224	237½	230	240	238	242	226	238½	225¾	247	232	247	239	250½
International Harvester Co....*	31½	33	30⅛	32¼	30½	31¾	29½	30⅞	29⅛	30⅛	26⅝	29¼	27	28⅛	25⅝	28⅜	24½	26⅞	25⅜	27⅞	26¾	27⅞	26¾	28⅜
7% preferred....100	161⅝	166¼	160¼	163¼	159¼	162¼	152½	159¼	152½	154¾	148½	152	150½	156¼	152¼	154¾	151¾	155	154½	164	157¼	163¾	156½	160¼
Internat'l Hydro-Elec System ser A....25	23⅛	24⅜	23	24⅜	24⅜	26⅜	23⅜	25¾	23½	24¾	22¾	24¼	22½	23	22¼	23½	21¼	22¾	23	25	24½	25¼	24⅝	25¼
Internat'l Mineral & Chem Corp....5	37⅛	39¼	35½	37⅞	34⅞	38	31½	35	33⅛	35	30¼	33½	29⅛	32	28¼	31⅞	27½	30	29¼	32	29⅞	31¼	28¼	31⅝
4% preferred....100	89	90	89	89½	87	89½	86	86½	85½	85½	83½	85	--	--	81½	82	80	81¾	81¾	82	82	83	76	82¾
International Mining Corp....1	2⅛	2½	2¼	2½	2⅛	2½	2	2¼	2	2¼	1⅞	2⅛	1⅞	2	1¾	1⅞	1½	1¾	1⅜	2⅛	1⅝	2⅛	1⅝	2
International Nickel Co of Can Ltd....*	45⅜	47⅝	43¾	45⅞	43⅝	46⅛	38¾	43⅝	40	41	39½	42	40⅞	42½	39	42	37½	39¼	37⅞	39¾	36¼	39¾	34½	37
7% cum preferred....100	131	132⅝	130½	132¼	130	132¾	128⅜	131	128⅜	130½	129½	132	129½	131½	129¼	130¾	128⅛	131½	129¼	131	129¾	131	130	132
International Packers Limited....15	10⅛	10⅞	10¼	10⅞	10½	12⅞	11¼	12⅛	11	11⅝	10⅜	11⅛	10⅛	10⅞	10¼	11¾	9½	10⅝	9½	10	9½	10⅛	9½	10¼
International Paper Co....7.50	53⅝	55¼	53⅛	55	53¼	56½	48¾	54¾	50⅛	53½	47¾	51⅝	49¼	52¼	48½	53½	48½	51⅞	50¾	57	51⅛	59⅜	53⅜	58
Common "when issued"	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	51½	52⅜	53½	54¾
$4 cumulative preferred....*	100⅞	102	100	100½	100¼	101¼	98	101¼	95½	98½	93½	95½	95	97¼	98	99¼	95	99½	99½	101½	101¾	103½	100¼	101¾
Internat'l Rys of Central America....*	8⅜	9⅛	7¾	8¾	8⅛	10⅝	7¾	9¾	8½	9¾	8	9¾	7⅞	9¼	7⅝	9	6½	9	6¼	8⅛	6⅞	8¼	6	7⅝
5% preferred....100	50½	57½	52	55¾	53½	60½	53	60	58½	64	57	63	56	61	53¾	57¼	51½	55¾	46	55⅛	47	50⅞	45½	53½

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
International Salt Co.*	53¾	55	51½	52½	50½	53	45	52½	45	47⅞	41	46½	42	44¾	42½	45¼	42	45	45	47	43¼	46½	41¾	45½
International Shoe Co.*	38¼	39⅝	39½	40⅞	39	40½	38½	39½	39¼	40½	38½	40⅛	38⅝	40⅝	39½	40	39	40	39	39¾	38⅞	39½	38⅛	39½
Internat'l Silver Co (The) (Conn) 25	51	54	49¼	52	49¾	53¼	49¼	51	48½	50	46	48½	45	47	41¾	47½	40¾	44	40¼	42	40	42	36⅛	41¼
Preferred 25	33⅞	35	34¼	34½	33⅛	34⅛	33	33¼	33	33½	—	—	33	33¼	33½	33½	32⅝	33	32½	32⅝	32¾	33	30⅝	32¼
International Tel & Tel.*	18⅞	20¼	17¾	19⅛	17¼	19⅝	16¾	18¼	17	18¼	16¼	18¼	15½	16⅞	14	16⅝	13⅝	14⅞	13⅞	14⅝	14	14⅝	13½	15¼
Internat Utilities Corp 5	28½	30	28½	29¼	27⅞	29¾	27¼	29⅛	26½	27¼	24	27⅛	26¼	27¼	25	26½	25⅜	26¼	25½	28	27½	28½	29⅛	31¼
$1.40 cum conv preferred 25	32¼	33½	31⅛	32¾	31¼	32	29⅝	32	29½	30	29¼	30	29	29½	29½	30¼	29⅛	29¾	28½	29¼	28⅞	30¾	30¼	31¾
Interstate Department Stores Inc 1	27½	29¼	27	28½	27	30⅛	27⅛	29¾	28½	29¾	27¾	28½	27	28¾	27	28⅞	25	27¼	24½	26½	24½	26½	23⅛	26½
Interstate Power Co 3.50	10¼	11	10	10⅝	10	10⅝	9¾	10¼	9¾	10¼	9½	10	9⅝	10⅛	9⅞	10⅜	9⅜	10	9⅝	10¼	10⅛	10½	10¼	10⅞
Intertype Corp *	29⅞	31⅛	30	39⅛	34½	38	34¼	37¾	36	41¾	36	38¾	35⅛	37½	34¾	37¼	31½	35	31¾	33¾	31¼	33	30½	31¾
Iowa-Illinois Gas & Elec Co.*	28½	29⅞	29½	30½	30	31⅞	29⅝	31	29	30¼	27	29	28⅛	30½	29⅛	31	28	29⅛	29	30½	28¾	30	29¼	30
Iowa Power & Light Co 10	24⅝	25½	24⅞	25¾	25⅛	26⅝	24	26	23¾	24⅜	22⅛	23¾	23	23⅞	23⅞	25⅞	23¾	24⅞	23⅞	24½	24	24⅞	24¼	25
Island Creek Coal Co 50c	27¼	30½	27¾	28⅝	26½	28½	21¼	26⅞	21½	23¾	21¼	23¾	20⅞	23	17¾	21¼	16½	19⅝	16	17¾	16¼	17¾	15⅛	17⅞
$6 preferred 1	127½	128	127½	130	130	130	127	130	125	125½	121	125½	120	122	119	122	113⅝	119	115	115	111	119	109½	115

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Jacobs (F L) Co 1	4⅝	5⅛	4⅜	4⅞	4⅝	5⅜	4½	5⅛	4⅜	4⅞	3⅞	4½	3⅜	4¼	3¾	4¼	3	3⅞	3⅜	4⅛	4	5⅛	4⅞	6¼
Jaeger Machine Co.*	22¼	23¾	22	22⅞	22⅜	24¼	21½	23	21¼	25	22¼	24	22	23¼	21	22½	19⅛	21⅜	17⅜	18¾	18¾	23	20	22
Jefferson Lake Sulphur Co 1	18½	21¼	19	21¾	21⅛	25⅜	20⅝	23⅛	21¾	23¼	20¼	21¾	19½	21	17¼	20½	17¼	19¼	18	21¼	20¼	21⅝	20⅝	21¼
Jersey Central Power & Light Co—																								
Preferred 4% series 100	86½	88½	87	89	86½	88¾	85½	88	85	87½	84	86	82	85	83½	85	83½	85½	86	87¾	86½	87¼	86⅛	87
Jewell Tea Co Inc *	77	83	76	84	75¾	79½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New 1	—	—	—	—	—	—	34	39⅛	35⅛	38	35⅞	37⅞	36	38⅜	38⅛	41	37⅞	40	39½	41	40	43	40½	43
Common rights	—	—	—	—	—	—	1/16	3/32																
3¾% cumulative preferred 100	99	101	99	100	99½	101	94	99⅜	93¼	93¼	88⅝	93¼	88⅝	92½	94½	94½	95	95	95	98½	97	100½	99	100
Johns-Manville Corp *	69	74⅜	68⅜	71¾	69	72⅝	65½	72¼	62⅜	66¼	59½	62¼	59½	61¾	57¾	64	57¾	62	59¾	62½	60	63¾	62¼	66
Johnson & Johnson 12.50	53½	58¾	50½	55¾	56	60	53¼	56½	51½	54¼	52½	55	52¼	57	56	58¾	55½	58¼	56	60⅝	60	65	61¾	66¾
Jones & Laughlin Steel Corp 10	22⅞	24¼	22⅛	23⅝	21¾	23⅞	21	23½	23⅛	24⅛	21¼	23⅜	22	23½	20⅝	23⅝	19	21¼	20	21¾	21	21⅞	19⅝	21½
5% preferred series A 100	83½	85	83¼	84⅝	83½	85¾	84	85	84¼	85¾	83¼	84¾	83⅝	84¾	82¾	85⅝	82	83⅞	82½	83½	83	85¾	84½	86
Joy Mfg Co 1	36¼	38⅝	37¾	39¼	36⅝	39¾	35¼	37¼	35⅜	37⅝	33¼	36	33⅞	35¼	32⅜	35⅝	29¼	32⅝	31¼	32⅝	32½	36	31⅜	33½

K

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Kaiser Aluminum & Chem Corp 1	26¼	29¼	27¼	29⅛	26⅜	30½	25½	27⅞	26	27¾	26	28¾	26¼	28⅜	24⅛	28½	23½	25¾	22¼	24	22⅛	25	23¾	28¾
5% preferred (convertible) 50	44	48¼	46	49	46	48⅛	45⅜	47¼	44⅜	45⅞	43⅛	46	44	46½	43¾	46⅝	42	45¼	41½	43¾	41⅛	43	41⅞	47
Kalamazoo Stove & Furn Co 10	8	8⅜	5⅞	8	5⅞	6⅜	4⅝	6	4¼	4¾	4	4¼	4⅛	4¾	3	5⅛	3	3⅞	2⅞	3¼	3⅛	3¼	3⅛	3⅜
Kansas City Power & Light Co com *	29½	30½	29⅞	30½	30	31½	28¼	30	28½	29⅞	26⅛	28¾	28⅛	29⅛	28⅛	28⅞	27½	28½	28½	30¾	30¼	31⅜	30⅞	33¼
3.8% preferred 100	94	95½	92½	93¼	90½	91½	89	91	87½	87½	85	87½	87	88¼	88	89	86½	88½	90	92¾	93	94½	94½	95½
4% cumulative preferred 100	99⅛	100¼	99	100	100	100¾	98½	100	98	98	96¾	98	94	96	93½	95	92	95	96	98	97½	99½	98½	100
4.50% preferred 100	104½	105	104½	105	104	105	103¼	105	100½	103	98½	101⅛	100½	102½	101¼	102½	101½	102½	103	103½	104¼	104¼	104½	105½
Kansas City Southern Ry Co *	88¼	92⅛	86	91¾	85	[illegible]	82	87	83	86	—	—	—	—	—	—	—	—	—	—	—	—	—	—
New *	—	—	—	—	—	—	41¼	43½	41½	45	39½	44	40¾	44¾	37⅝	45¼	36⅜	40	36½	39	37¼	40	37⅞	40
4% non-cum preferred 100	72	73½	72½	74¼	72	[illegible]	72¾	74¼	72¾	74	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4% preferred new 50	—	—	—	—	—	—	—	—	35¾	36¾	32½	36⅜	33	34¼	34¼	35	33½	35	35¼	37	35½	37	35⅛	36⅜
Kansas Pwr & Lt Co com 8.75	19⅛	19⅝	18⅞	20¼	19½	21	19¼	20⅛	17⅞	19⅜	17¼	18⅜	17½	17⅞	17½	18	17	17⅞	17½	18¾	18⅝	19⅜	18⅜	19¼
Kayser (Julius) & Co 5	12⅜	13⅛	11⅞	13⅛	11¾	12⅞	11¾	12½	10⅝	11⅝	10¼	11	10	11⅛	10¼	11	10⅛	10⅞	10⅛	13½	12⅜	13¾	13¼	14½
Kelsey-Hayes Wheel conv class A 1	36½	40¼	38¼	40⅛	40	43¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Class A called	37½	40	39¼	39¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Common 1	36¾	40¼	38⅜	40⅜	40	44½	38½	42	39⅞	41¾	37½	41	38¼	38¾	—	—	—	—	—	—	—	—	—	—
New 1	—	—	—	—	—	—	—	—	—	—	19½	20⅛	17⅜	19½	15¼	18⅜	13⅝	16⅛	14⅞	17	16¼	18	15¾	17¾
Kennecott Copper Corp *	76⅝	79⅞	76½	82	71	79⅞	64¾	73	65⅛	69⅝	64	65⅞	61¾	65¾	60¼	66⅜	59⅛	63¾	62⅛	67⅜	65¾	68¼	61⅝	66
Kern County Land Co 2.50	55⅝	60	52	56¾	53¼	58⅜	45⅜	55⅜	47⅛	51¼	43⅝	48½	42⅛	46½	40½	47⅜	37½	42½	37⅜	41½	38¾	42	38⅞	44¾
Keystone Steel & Wire Co *	21½	24½	23⅜	24¾	23½	24⅜	22⅛	23½	22½	23⅜	21⅝	22½	22⅛	23½	22¾	23⅝	21½	23	21⅛	21⅞	21	22	21	21⅜
Kimberly-Clark Corp *	45¼	49	43⅜	46	41½	45	40¾	43¾	40	42⅝	39¼	41¾	39½	42⅞	39½	41¾	39½	42	40½	44½	43½	48⅝	47¼	49¼
4% cum preferred (conv) 100	—	—	111¼	111½	108¼	108½	108	108	—	—	—	—	—	—	—	—	101	101	103	105	103	103	104½	107
King-Seeley Corp 1	25½	26¾	25¾	26⅞	25¼	28	24	26	25½	27	25½	26⅜	24	25¾	23	25½	22½	23½	23⅛	25¼	24⅝	25⅛	24	25
Kinney (G R) Co Inc 1	24	26⅞	25⅛	32	29	32½	27⅛	30¼	31	41⅞	32⅛	39½	35¾	40	32¼	39¼	32½	36¾	32½	39	33	35⅞	31	33
$5 prior preferred *	78½	81	79	86	86	89½	84	89½	87½	95	84	89½	85	86	82	85½	79	84	79½	83¾	78¾	81¼	78	80
Koppers Co Inc 10	38⅜	41⅜	37½	39¼	37⅛	40⅛	34	37¾	33¼	35⅛	31¼	33¼	31⅝	33	30	33⅛	28¼	30⅝	28¾	32⅛	30	32⅛	29¼	32⅝
Cum preferred 4% series 100	90⅝	93½	91⅛	92½	89¼	92	86	89	86	87	85¼	87½	85	87	85⅝	87¼	83½	85½	84¾	87	85⅛	88½	81¾	85⅛
Kresge (S S) Co 10	34⅞	35⅞	34½	35⅞	34¼	35⅜	34⅞	35⅝	34¼	35⅞	33⅛	35¼	33⅛	34⅜	33¾	35⅜	33⅜	34¾	33⅝	34½	33⅛	34¾	31¾	33⅝
Kress (S H) & Co *	53	56	55¼	57¼	51	55½	50½	52⅝	51¾	55	50	53¼	50⅛	53¾	49½	54½	48	50½	49½	51½	47¼	49½	47⅛	49¾
Kroger Co (The) *	39	41½	39⅞	42¼	40	42½	37½	41	38⅜	41¾	39⅞	41⅛	40	42⅛	38¾	42⅜	39	42¼	41¼	44¼	41½	45	42½	46⅞

L

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Laclede Gas Co 4	9⅜	9¾	9	9¾	8⅞	9¼	8¾	9⅛	8¾	9	8	8¾	8¼	9	8½	9	8¼	8¾	8⅝	9⅝	9½	9¾	9⅝	10
La Consolidada S A American—																								
Preferred 75 pesos Mex	5¼	5½	5½	5¾	5¼	5½	5⅜	5¾	5⅛	5½	5	5⅜	5	5½	5½	5½	4¾	5⅛	4¾	4⅞	4½	4⅞	4⅜	4⅝
Lambert Co (The) *	19⅞	21⅜	20½	21⅜	21	22⅛	20⅛	21½	20¼	21¾	20	21⅜	20	23⅝	21⅞	25¼	20¾	23⅛	20¾	21¾	21¼	22⅞	21½	22¾
Lane Bryant Inc 1	15⅛	15⅞	15⅜	16½	16¼	18⅛	15¼	17¼	15¼	16	15⅛	16	15	16	15¼	16½	14½	15¼	14¾	15½	14¾	15⅜	14¼	15
4½% preferred 50	48¾	50	49¼	51½	54½	56	51	53½	52¼	52½	50	50	50	51	51¼	53	48½	50½	48	50½	49	50	46	48
Lane-Wells Co 1	22¼	23⅜	22⅝	23½	22⅝	24½	20⅝	22¾	21½	23	21⅞	23½	20¾	23	20	22⅜	18⅛	20⅞	19¾	20½	19¾	20¾	19⅝	20½
Lee Rubber & Tire Corp 5	59¼	64	58	60½	56	59	54	58¼	49⅛	53¾	48½	51½	49¼	52	48	51	47	54⅞	49¼	54½	47¾	50	47¼	49½
Lees (James) & Sons Co 3	25¼	28	27¾	29⅜	28⅛	29⅛	26¾	28⅜	26⅝	27⅞	25½	27¼	25⅜	26¾	25⅜	26⅞	24	25½	24	25	21½	24⅛	21⅞	22¾
3.85% cumulative preferred 100	91½	91⅝	91¾	95	93½	94	95	95	—	—	88	89¾	86	87¾	—	—	—	—	86½	87½	86½	87	86	86½
Lehigh Coal & Navigation Co 10	9⅛	11½	10⅛	11⅛	9¾	11	8⅛	10	8½	8⅞	7¾	8½	7⅞	9	8	10⅛	8	8⅞	7½	9¼	8⅝	10¼	8	9
Lehigh Portland Cement Co 25	28⅜	30¾	28⅜	30¼	29⅞	34	29¼	33⅛	29	30½	25⅜	28¾	25⅞	28¼	26⅜	28¾	26	27¼	26⅛	27⅛	27	28	26½	28⅜
Lehigh Valley RR Co *	20¼	22⅝	19½	21⅞	17⅜	20½	16⅜	18	16½	19¼	16	18	16¾	18⅛	16⅛	18⅞	14⅜	16⅝	14⅜	17¼	15⅝	17¼	14	16
Lehigh Valley Coal Corp 1	1⅜	1⅝	1⅜	1⅝	1¼	1½	1⅛	1⅜	1¼	1⅜	1⅛	1⅜	1⅛	1⅜	1⅛	1⅜	1⅛	1¼	⅞	1¼	¾	1	⅝	⅞
$3 non-cum 1st preferred *	13¾	14¾	13¾	14½	11¾	14⅜	10⅛	11⅞	10⅛	10¾	9	10½	8½	9⅝	8⅜	9⅛	7⅜	8½	7⅛	8	6¾	7¾	6½	7⅛
50c non-cum 2nd preferred *	3⅞	4½	3¾	4⅜	3½	4	3⅛	3½	3⅛	3¾	3⅛	3½	3	3½	3⅛	3½	2½	3	2⅝	3	2¼	2⅝	1⅝	2¼
Lehman Corp (The) 1	74¾	80⅛	72¼	75¾	72¼	75⅝	66⅞	74¼	69	71½	65¼	70⅛	65	71½	64¾	70	62½	67⅜	65	67	66⅝	68½	—	—
"When issued"	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	34	36	33½	35⅜
Lehn & Fink Products Corp 5	14	15⅜	14⅞	15⅞	15⅜	18⅝	16⅞	17⅞	16	17¾	15	16⅛	14½	15⅜	14½	15⅝	14½	15½	14½	15½	14⅞	15⅝	14⅝	16½
Lerner Stores Corp *	21	21⅞	20½	21¼	21	22⅝	21⅛	21½	20⅞	21⅞	20	21¾	19¾	20⅜	19	20⅛	16½	19¼	17⅜	19¼	16⅞	17⅝	16	17½
Libbey-Owens-Ford Glass Co 10	40½	42⅜	39½	42⅝	38⅝	41¾	37	39	38	39⅞	35⅛	38¼	35⅞	37½	34	38¾	33¾	35⅝	35¼	39	38¼	41¼	39⅝	42⅜
Libby McNeil & Libby 7	8½	9¼	8⅝	9⅛	8⅞	9¼	8⅞	10⅝	8⅞	9⅜	8⅝	9	9	9¾	9	9¾	8¾	9⅜	8⅞	9⅛	8¾	9⅛	8¾	9⅛
Life Savers Corp 5	36¼	38	35	36⅝	36	38⅜	36¼	37½	36¼	37¾	34¾	36¾	35	36½	36	37	35	36¼	35	37¾	36½	38	38	39¼
Liggett & Myers Tobacco Co 25	74	78⅞	76¾	79¾	75¾	80¼	75⅝	78	77	79¼	74½	77¼	76	80⅞	74½	82	74½	78	77½	80⅝	69	78⅜	63	69⅜
7% preferred 100	163½	167	161	165	162	163⅞	159⅞	162	159½	162½	155	159	156½	162½	162½	164	162	165½	166	170	168	171½	155¼	164
Lily Tulip Cup Corp *	67	72⅞	65¼	68	66	70¼	63	67	63½	67	58½	65	59½	62¼	62¼	64¼	61¾	70	67	73½	73	77	73⅝	77¾
Link Belt Co *	43⅞	46¾	44¼	46½	44¾	47¾	43	44⅞	38½	43¾	38½	41½	40	42	38	41¾	35¾	39½	37	39¼	37½	39¼	38⅜	41½
Lionel Corp (The) 2.50	19½	21½	19¼	21	19½	27⅞	24½	27⅝	23⅝	25¼	22	24	22⅞	23⅝	21¾	23½	20	25	23⅛	25¾	23¾	25	22¼	24¾
Lion Oil Co *	35¼	38	34⅝	37¾	35¼	38¾	34¼	36¼	34	35¾	32⅛	34⅜	32½	34⅛	32¼	35½	28⅝	32½	29½	31¼	30⅜	32⅝	29½	31⅝
Liquid Carbonic Corp *	19½	20⅜	20	21¼	19¼	21	19	20¼	18	20	17⅜	18¼	17¾	19⅜	17⅜	19¼	15¼	17½	16¼	17⅛	16⅝	18⅞	18	19⅛
3½% convertible preferred 100	68¾	70	72	74	71	72	69	70	66	66½	64	64	64¼	68	68	68	65½	67	65⅛	65⅛	65	67¼	64	67
Lockheed Aircraft Corp 1	21⅞	24	22⅜	24¼	22	26¼	20¼	23¾	21¾	24⅛	21⅛	22⅞	20¼	22⅛	21⅝	23⅛	21⅜	24⅜	23	26½	26¼	29⅜	26⅝	28⅞
Loew's Inc *	11¼	13⅛	11⅞	14	12⅜	14⅜	12⅝	13¾	12⅜	13⅛	11¼	12¾	11¾	13⅛	11⅜	12¾	10⅝	12	10⅝	11¼	10⅞	13	11⅞	13⅜
Lone Star Cement Corp 10	29¼	31¾	29¼	31⅜	30⅛	34¼	31⅛	34⅛	31⅛	33½	28	31⅞	28½	30½	26¾	29⅞	26	28⅝	27¼	28⅞	27⅝	30⅞	28¾	30⅞
Lone Star Gas Co 10	—	—	—	—	—	—	24¾	26	24	25⅛	23⅛	24⅞	23⅛	25¼	23¾	26	23⅛	25	23⅞	25¼	23¼	24⅞	23¼	24⅛
Rights common	—	—	—	—	—	—	—	—	⅛	13/64	—	—	—	—	—	—	—	—	—	—	—	—	—	—
4.75% converible preferred 100	—	—	—	—	—	—	—	—	—	—	103¾	106⅝	106¾	109¼	108	109½	105¾	107½	108¾	109¾	107¾	109⅜	107½	108½
Long Bell Lumber Corp (The) cl A *	29⅛	30⅞	29	31¾	30	35½	30	34	29⅝	31⅞	26¼	29½	25	27¼	24¾	27½	22½	25¼	21⅝	24¼	22¾	23⅞	21⅝	24¼
Long Island Lighting Co 10	17⅛	17⅝	17	17⅜	17⅛	18⅜	16½	18	16½	17⅜	15½	16⅞	16½	17	16⅜	17⅛	15⅞	17	16⅝	17½	16⅞	17⅛	17	17⅜
Common rights	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	⅛	7/32	—	—	—	—
5.25% preferred series A 100	106	110	106	106	104⅝	106	104¾	106	103¾	105	101	105	103	104¾	102½	103⅜	102	103¼	103½	105	105¾	106½	106	107½
5% series B preferred 100	105	106¼	104¼	106	104	105	102¾	103½	97	100¼	99	100	98¾	99½	99¼	100¼	99½	100¼	100⅛	103	104¼	104¼	103½	104½
5.25% series C 100	—	—	—	—	—	—	—	—	—	—	101⅞	103¾	103¼	103⅞	103⅛	103⅝	102	103	103	104	105½	105½	106½	106¾
Lorillard (P) Co 10	24⅜	26⅜	25½	28	25¾	28½	25⅝	26⅞	26¼	27¾	25⅞	27⅝	27½	29⅜	28	30½	27⅛	28⅞	27½	29⅜	25⅝	27⅜	23⅝	26⅝
Common rights	—	—	—	—	—	—	1/16	½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
7% cumulative preferred 100	152½	155	155¼	157½	156	158½	148	156¾	150	152	147	153	148⅛	152	151	152½	148⅛	150½	150	157¼	158½	160	146⅜	160¼
Louisville Gas & Electric Co (Ky) *	39⅛	41¼	36⅞	39⅛	38⅜	40⅛	37⅝	39⅝	38	39	34⅞	38½	35½	39½	38⅝	39¾	36¾	38⅞	37⅝	39½	38¾	40¼	40⅛	42⅜
Rights	⅜	13/32	⅛	13/32	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Louisville & Nashville RR Co 50	63½	67⅞	60	64⅜	59½	65⅜	58¾	61½	59¾	64¾	60¼	65⅜	63	65½	59¾	66¼	55	61¾	59¾	64½	60⅛	61⅝	59¾	62⅞
Lowenstein (M) & Sons Inc 1	31	33¼	31	32⅜	31⅜	32⅝	30⅞	33⅜	32½	35¼	31⅞	34¼	32⅛	33½	32½	35¼	31⅛	34⅜	31⅛	33	31⅜	33	30½	33
4¼% cum preferred series A 100	97	97	96	97	95	96	95	95	92	92	92¼	92¼	93¼	93¼	92	93¼	92	93	92½	94½	96	97½	96	96
Lukens Steel Co 10	42¾	45¾	41¼	44½	41¾	45⅝	38⅞	42½	40	42¾	39½	41½	40	44½	39¼	45½	36⅜	40⅝	39	44	42	43	39¾	43

M

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
M & M Wood Working Co 5	11	11⅞	10¾	11⅛	10¾	12	10¼	11¼	10¼	10⅞	9⅞	10½	9⅛	9⅞	8⅝	9¾	8⅛	9	7½	8½	7¾	8⅜	7¾	8½
MacAndrews & Forbes Co 10	43	44⅜	44½	45	42	45	42	42¾	41½	42¾	41	44	41	42¼	41⅛	42¼	41	42¼	41¾	43½	42½	43½	41⅝	44
6% preferred 100	131	131	131	131½	131	132	127	129½	128¾	129	128	129	132	132	127	131½	125	127	128½	130	130	131¾	129¾	132
Mack Truck Inc 5	12⅜	13¾	12¾	13⅜	12½	13⅝	12	13	12	12⅞	11	12⅛	10⅛	11⅛	10⅜	11⅞	10⅜	11⅝	11	15⅛	14	15⅞	12⅛	15
Macy (R H) Co Inc *	25	26	24⅜	25½	24½	25¼	23½	24¾	23½	24½	22	24⅜	22¼	23½	22⅝	24⅛	[illegible]	[illegible]	[illegible]	[illegible]	21⅝	22⅝	20⅛	22½
4¼% preferred series A 100	84¼	87	85	86½	85	87½	82½	87½	82¼	83¾	80¾	83¾	80	81½	80	82	78⅞	80¾	79¼	81½	79⅛	80½	79¼	82
Madison Square Garden Corp *	8	8⅛	8	8⅜	8	8⅜	8	8⅜	8⅛	9	8	8¼	8¼	8⅞	8	9	8	8⅛	7⅞	8¼	7⅝	8⅛	7⅞	8
Magic Chef Inc *	8⅝	9⅞	8⅝	9⅝	9¼	9⅞	8¾	9½	9	9¼	8¼	9⅛	7½	8⅝	7	7⅞	6⅝	7⅜	6⅝	6⅞	6½	7¼	6⅛	7

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Magma Copper Co 10	26½	29⅞	26⅝	29¼	28⅜	29⅜	27¼	32	27⅜	29	25	28⅛	25½	26½	25	26⅝	21	25	22	26¾	23¾	25¼	24¾	25⅞
Magnavox Co (The) 1	20½	22¼	20½	22	18¾	21⅞	18¼	19⅞	18¼	19⅜	16½	18⅜	16½	19⅜	16½	19⅜	15⅝	18¾	17½	19⅝	16⅜	18¾	15¾	17½
Mahoning Coal RR Co 50	536	536	545	550	544	552	542	545	—	—	540	540	519½	525	—	—	517	525	—	—	—	—	525	534¾
Manati Sugar Co 1	7⅛	7⅞	7¼	8⅛	7½	8⅛	7⅜	8⅛	7½	7⅞	7	7¾	6⅝	7	6	6¾	4⅜	6⅛	4½	5	4⅛	4⅝	3½	4⅜
Mandel Bros Inc *	6¼	6⅜	6¼	6⅜	6⅜	8	6¼	6¾	6	6¼	6	6¼	5⅞	6½	5½	6⅜	4½	5¼	4¾	5	4⅝	5⅛	4⅝	5¼
Manhattan Shirt Co 5	22	23	23⅝	23¼	22⅝	23⅞	22⅛	23⅛	23¾	25½	23½	25¾	22⅜	24⅜	22⅞	23⅞	22⅛	23	22¼	24¼	23¼	24	22½	23
Maracaibo Oil Exploration Corp 1	8¾	10⅛	9¼	10⅛	9⅜	11	8¾	10	8⅝	9⅛	7⅞	8⅝	7⅞	8¼	7	8¼	6¾	7½	6⅞	7½	7	7⅝	6¾	7⅜
Marathon Corp 6.25	23	25	23	24¼	20⅝	23⅝	19⅝	21⅝	18⅝	21½	19	20⅞	18⅞	19⅞	18¾	19⅞	16¾	19	18¼	19¾	18⅝	19¾	18¼	19⅞
Marine Midland Corp 5	12⅛	12⅞	12⅛	12¾	12⅜	13	12	12½	12	12½	11½	12¼	11⅝	12⅜	12	12¾	11½	12⅜	12	12⅝	12⅜	12⅞	12½	13⅛
4¼% preferred (conv) 50	55	56½	56	58	55½	57¼	55¼	56⅜	54	55¾	52½	54	53	53⅞	53⅞	55½	52¾	54¼	53¾	54¼	54½	55¼	55	55¾
Market Street Ry Co 6% prior pfd 100	4½	4¾	4½	4⅝	4½	4⅝	4⅜	4½	4⅜	4⅝	4½	4½	4⅜	4¾	—	—	—	—	—	—	—	—	—	—
Marshall Field & Co *	24¼	25½	23⅝	25¼	24½	25⅝	24¼	25¼	24⅝	25⅛	23½	24¾	23¼	24⅜	23⅜	24¾	22¾	25⅜	23¼	24¾	23	24¼	23	24¼
4¼% preferred 100	86	88	85¾	88	85	88½	84¼	87½	83⅝	87½	82	84½	82	85	81⅛	84	80	83½	80	84	84	85⅝	80½	86
Martin (Glenn L) Co 1	14⅝	17⅞	16⅛	18¼	14½	18⅜	13⅛	15¾	13¼	14½	12¼	14	12½	14	13⅛	14½	12⅝	14¾	14⅛	15⅜	14½	16¾	15⅜	16⅞
Martin Parry Corp *	11¼	13¼	13⅛	14	12	14⅛	11¾	12⅛	11½	12¾	11⅝	12	11½	12⅞	11⅞	12⅞	10	11¾	11	12	11¾	12¾	12½	13¾
Masonite Corp *	23½	25⅜	23¾	25⅞	23¼	24⅞	20¼	23⅛	19½	21¾	19	19¾	19	20	17⅝	19¼	16⅝	18	16⅝	18½	17¼	18⅜	16½	18⅛
Master Electric Co 1	19	20¾	18½	19¾	18⅞	19¾	18⅛	19⅞	18⅛	20	18⅛	19⅜	18	19⅛	18	19¼	17⅜	18⅛	17⅜	18	17½	21½	17⅜	18
Mathieson Chemical Corp 5	38⅛	41¾	37½	39⅜	38	40½	38⅞	40⅜	38⅛	40½	34¾	38¼	36½	39⅜	34½	39¼	34¾	37½	35⅝	39	37¼	40¼	38⅞	42¼
4.25% convertible preferred 100	108⅛	110¾	104¾	108½	104	106⅜	103	105½	104¾	106¼	98¼	103¾	98¾	100	100	103½	100¼	102¼	102	105	104½	106	103⅝	104¼
May Department Stores Co 5	30⅛	31½	29¾	31½	30⅛	32⅞	29¾	30⅞	29⅜	30⅝	27⅝	30½	27⅝	31½	29¼	32⅜	28¼	29¾	28⅝	29¾	28½	30	27⅞	29⅜
$3.75 preferred *	93¾	95	93	94⅛	89¼	93¾	85½	89	84	88	83½	85½	85¼	89	89	90	89	89	91¾	94	90½	93	89⅝	92
$3.75 cum preferred series 1947 *	93½	95	93¼	95	89	93	86¼	89¾	84	87	82½	85	85	89	88½	90¼	87	89½	90¼	93	91	94	88½	92
$3.40 cumulative preferred *	85¼	85¼	84⅜	85¼	81½	82½	79	80	78¼	79½	76	78	75	80	81	83	80	80	82	85	85	85½	82	84
Maytag Co (The) *	19⅜	20⅝	18¼	20½	18½	21	18⅛	20	18⅞	20	17¾	19	17¾	18⅛	17½	18¼	16	17½	17	17¾	17	19¼	17⅛	18⅛
$3 preference *	51	51¼	50½	51	50½	52	49½	50¾	50	50½	49¾	50	49	50	49	49¼	45	47¼	45½	46½	47	47	47½	48
McCall Corp *	18¼	19¾	18	19	18⅞	21¼	18¾	20¾	18½	19⅞	17¼	18⅝	16¼	17⅝	16	17⅛	15⅝	16⅝	15⅝	16⅜	15⅛	15⅝	15	15⅝
McCord Corp common 3	26⅜	28½	28	30½	27	30	25⅞	27½	25	26⅞	24	25¾	25	26¼	23	25½	20½	22¾	21½	22½	21½	23	21⅛	22⅛
Preferred $2.50 50	44⅛	45½	45	45¾	45	45⅛	44⅜	45½	42½	44½	43	45	42⅜	43	43	43½	42⅜	43½	42	42½	41½	43	43⅜	43½
McCrory Stores Corp 50c	14⅞	15⅜	14¾	15⅝	14¼	14⅞	13⅛	14⅜	13¼	13⅞	12⅞	14	12½	13¼	12½	13¼	12⅝	13⅛	12⅜	13⅛	12	12⅞	11¾	13
3½% cum convertible preferred 100	89½	92	89	91⅜	89	91	81½	88¾	80	81¾	78½	81¼	78	82½	75¼	82	74	77	74	77⅝	77⅛	79	72½	77¾
McGraw Electric Co 1	67½	71	69½	73	69¾	73¼	64¾	68¾	67¾	70½	65½	68	63¼	65½	61	66⅛	57¼	61¾	59½	69½	65½	68	67½	69¾
McGraw-Hill Publishing Co Inc *	52¾	55¼	54¼	62	55¼	60½	53¾	60	59¾	67½	58	64½	58¼	64½	62½	62½	—	—	—	—	—	—	—	—
New 5	—	—	—	—	—	—	—	—	—	—	—	—	30	31⅜	28	[illegible]	[illegible]	[illegible]	[illegible]	32½	31¾	35¼	33¼	35¾
McIntyre Porcupine Mines Ltd 5	68	71½	66	68¾	64¾	68¾	62	66¼	60½	63¾	57¼	61½	55	58¾	55¼	58¾	52	56¼	53	56¼	54	56¼	53⅛	56
McKesson & Robbins Inc 18	35½	38¼	35⅜	37⅛	34⅞	36⅞	34½	35⅞	34⅜	37½	34	36⅞	33¾	35⅜	35	37	34⅛	36⅞	35	36¾	35¾	38¾	37¼	39½
McLellan Stores Co 1	25	26½	24½	25⅞	24⅜	25¼	24½	25¼	23½	24½	22⅜	24	22¼	23⅜	22¼	23	20½	22½	19⅝	21½	19¼	20¼	18½	20⅜
McQuay-Norris Mfg Co 10	13⅛	14⅞	13¾	14⅜	13¼	14½	13⅛	13¾	13⅛	13⅜	13	13⅜	12⅜	13⅛	12½	13	11⅝	12¾	12	13	12⅛	13	11⅛	12⅜
Mead Corp (The) *	25½	27⅝	25⅛	26½	25½	28	25⅝	27	25¼	26½	23¼	25¾	24¼	26¼	22½	25¾	21⅝	23½	23¼	26¾	23½	25⅞	24½	29½
4¼% cum preferred (1st series) 100	93	94	91¾	93	93½	94	93½	94¾	90	95	87¼	89¾	87¼	89½	87½	89½	85½	87½	83½	85⅞	85½	86½	86	87
Melville Shoe Corp 1	26⅛	27¾	27	27¾	27	28½	26½	27¾	26¾	27⅜	26⅛	26⅞	26½	27⅜	27	28	26⅜	28	26⅝	28⅜	27⅛	27⅞	27⅛	28
Mengel Co (The) 1	13⅛	14	12⅞	14	13¼	14⅝	13	13⅞	13⅝	14¾	13	14⅝	13	14⅝	13	14⅛	12	13¼	12¼	13	12¼	12⅞	11⅛	12⅜
5% convertible first preferred 50	46¾	48	48	49	46½	50¼	49	50	49	50¾	49	49	46⅛	48½	46	46¼	46	46¼	46¼	47½	46	46	46⅛	47
Mercantile Stores Co Inc 3.66⅔	18¼	19¼	17¾	19	17⅝	18½	17½	18	17½	18⅝	16½	17½	17	17⅞	16⅛	17¾	15¾	16¼	16	17⅜	15⅞	17⅛	15¾	17½
Merck & Co Inc 16⅔c	22½	25⅞	22	24⅛	21¾	24¼	19⅜	22¾	19½	21⅞	18¼	20	19⅛	20	18	20⅜	17	19¼	18¾	19⅞	19⅛	22	19¾	21⅞
$3.50 cum preferred *	—	—	86	87¼	84¼	86	81	83¾	80	83	82⅛	83	83½	84	86	86	84	84¾	85¾	89	87½	89	86¾	88
$4 convertible 2nd preferred *	107⅛	111	105⅝	106¾	101	107½	97½	104	98	101	92¾	96½	94	98	95	96¾	93	95	93¾	95½	95½	99¾	95¼	100
$4.25 2nd preferred *	—	—	—	—	—	—	—	—	93¼	94½	92	93½	93	94¾	94½	96	91½	94½	92⅛	96½	95¼	96¾	92½	96
Mergenthaler Linotype Co *	28⅝	31	29⅛	30⅞	28½	31	27⅞	29⅛	25¼	28¼	25½	28	25½	26⅜	26	27¼	25	28	25⅜	26¼	26½	27⅛	25½	26¾
Merritt-Chapman & Scott 12.50	22½	24	22⅝	24⅜	23⅞	25½	23	24	23	24⅛	22	23	22½	23¾	23⅞	24¾	24	26⅞	26½	29⅛	28⅜	31	27¾	29
Rights	—	—	—	—	¾	[illegible]	½	¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Mesta Machine Co 5	38½	39⅞	37¼	39	37½	38¾	33¼	37	32¾	34½	31	34	31½	34	31½	33¼	30⅛	32¾	30¼	31½	30	32½	28	32½
Metropolitan Edison 3.90% pfd ser 100	94¾	98½	93	97	91	93	89	90½	90½	92	86	90½	89¼	92	90½	92½	88½	91¾	91½	93	91½	95	90½	92½
4.35% preferred series 100	104	104½	104	105	103	104½	102½	103½	—	—	96	99½	98	98	98¼	98¼	95	99	100	102	100	103	102	103
3.85% preferred series 100	91½	93½	91½	93½	93	96	91½	92½	91	92	88	88	90	90	91	92	86½	89	88	90	90	90	91	92
3.80% preferred series 100	—	—	92¾	93¼	93	93	92	92	—	—	86	86	84	89	89	89	87	87	92	92	—	—	87	89
4.45% preferred series 100	106⅛	106½	106½	107½	105⅜	106	102½	104	99	100½	99½	101	100	102	101	102½	100½	103	103	105	103	105⅜	102	104½
Miami Copper Co 5	25¼	26¾	25⅞	28¾	25¼	29⅜	25⅝	26¼	22⅛	23½	21	22⅝	20¼	22⅛	20	21½	18⅜	20¾	19⅜	21⅝	21⅜	23½	20¾	24¼
Mid-Continental Petroleum Corp 10	62⅜	66½	60½	64	60	65⅜	58⅛	60⅞	57⅜	60¼	55½	59⅛	58¼	61½	57⅝	63⅜	55⅛	59	57⅞	61½	60⅛	62⅞	60	66⅝
Middle South Utilities Inc *	25¾	27	26½	27¾	26¼	27⅞	24⅜	26⅜	25⅜	26⅜	22¾	26⅛	24⅞	26	25⅜	26¾	24⅝	26	25½	27½	26¾	27¾	26⅝	27⅞
Rights	—	—	—	—	—	—	7/64	⅜	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Midland Steel Products Co 5	43½	46⅝	43⅛	46	42½	45⅝	41	43½	42¾	44¼	41	43⅜	40	42	36¼	41½	31¼	37	34½	38	34½	35½	29½	35
8% 1st preferred 100	132⅞	138	134½	139	135	137	132½	137	136½	138½	133	137½	132	134¾	133	134½	126	136	125¼	128½	128	131¾	125½	132
Midwest Oil Corp 10	22¾	23⅝	22⅛	23	22	24½	22¼	23⅛	22⅜	23⅛	22½	23¼	22⅝	23¼	22⅝	23¼	21½	22¾	21¼	22	21½	22¼	21⅜	22
Minneapolis & St Louis Ry *	16¼	17⅛	16⅝	18⅛	16¼	18¼	16⅛	17⅜	17¼	20⅛	17⅝	20⅛	19¾	21½	19½	20⅞	17⅛	19⅞	18¼	23	21¾	24	20⅜	23
Minn St P & SS Marie RR Co *	17⅝	19⅛	14	18	13½	15⅜	13	14⅛	13	15½	13	14⅜	13⅛	14¼	11	14¼	9½	11½	9½	10¼	9⅝	10¼	8⅜	10¼
Minneapolis-Honeywell Reg Co 1.50	57⅞	62	53½	58	53½	61½	56¼	60	56¾	61	55¾	59¾	57	59½	56½	60¼	55½	60⅞	60	66¾	65¼	68⅝	62¾	68
$3.75 conv preferred 100	109¼	115	108	111	110	115½	108½	115	109¼	111½	106	110	106½	108½	107	109	105	110½	111¾	117	118	122¾	114¼	122¾
Minnesota Mining & Mfg Co *	44¾	47½	43¾	46	43¼	45⅞	42	44½	44	46½	42	47⅜	47	49½	43¼	49	43⅞	47	46⅞	51½	50½	59¼	55¾	60¼
$4 preferred *	103	104	103	103¼	103¼	104	102	103½	99	101½	94⅝	98	98	100	100	102½	100	101⅝	101	101½	101½	102½	100¾	102½
Minn-Moline Co 1	17⅛	19⅜	16½	17⅜	16¾	17¼	16⅜	16⅞	16¼	16⅞	15⅛	16⅝	15¼	16⅛	12	15¼	11⅜	12¾	10	12⅞	9⅝	10⅜	8⅞	10¼
$5.50 1st preferred 100	85	88	84⅝	86¾	82¾	85½	82	83⅛	79	82	80	81	78	81¼	76	79½	69½	75	69	72	69½	71	69¼	72
$1.50 2nd preferred 25	24½	26½	24¼	25	24¼	24⅞	23	24⅜	23¼	24½	23½	24	22	23¼	20	21⅝	18¾	20½	18½	20	18⅜	19	18½	19
Minnesota Power & Light Co *	37⅛	39	36⅞	38¾	38	40¼	36½	38⅝	34⅜	37⅝	33¾	35⅜	35½	38	38	39⅞	36½	39¼	37⅝	39⅞	—	—	—	—
"When issued"	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	19½	21⅛	19¾	21½
Mission Corp 1	29½	34⅝	27½	31¼	28	34¾	27¾	33	29⅝	32⅜	28¾	31¾	30	32⅞	26½	31⅝	24¾	27⅝	24½	27½	26⅜	27¾	26¼	29⅛
Mission Development Co 5	18	19⅝	18	19⅛	18½	23⅜	18½	22⅛	19⅛	21⅜	17½	19⅝	18⅛	19¾	16½	19¾	15¾	17½	16¼	17½	16¼	17⅞	16	17⅝
Mississippi River Fuel Corp 10	36⅛	39⅜	37¾	40½	38¼	41⅛	36	40	36⅜	38¾	34½	37⅞	37½	39¼	37	38⅞	35⅛	38	35¾	38½	36⅜	38¾	36¾	39
Missouri-Kansas-Texas RR Co *	5⅜	6	5½	6	5⅜	6¼	5	6¼	5½	6⅛	5	5¾	5⅛	5½	4⅞	6⅛	4½	5⅜	4⅝	5⅝	4¾	5	4	4⅞
7% preferred series A 100	63	67⅛	62¼	65½	63½	69¾	62¼	65¾	62¾	67⅞	60¾	64⅞	61¾	64½	62	70½	57⅝	64⅞	62	69⅛	66	70	60¼	68½
Missouri Pac RR 5% conv pfd 100	47½	58¼	47¾	54	51⅜	55½	45¾	54⅛	42½	48	37⅝	44¼	36¼	40¾	35	42	33⅜	38⅜	34⅝	46⅜	42	45½	39½	43¾
Mohawk Carpet Mills Inc 20	27¾	30	27½	29½	28½	32⅝	28⅝	30⅞	28½	30⅜	25	28⅛	25½	27	25¼	27⅝	24	25½	24	25	23⅝	24¾	22	24½
Mojud Co Inc 1.25	13	13¾	13¾	15⅜	14⅝	15¾	14⅞	15¼	14¾	15	13	14½	13¼	13¾	13⅝	14½	13¾	14⅛	13½	15¼	13⅞	15¼	13¼	13⅞
Monarch Machine Tool Co *	16½	17⅛	16⅝	17⅜	16¾	20⅝	16½	18⅞	16⅞	19⅜	15⅝	17¼	16	17⅝	15⅝	17⅞	15¼	17⅛	16⅞	18⅞	16⅞	18⅛	16¼	17
Monsanto Chemical Co 5	90⅝	95⅜	89½	94¾	89½	93½	85¾	91½	85¼	89⅞	80⅜	87¾	85	89⅞	85	90	79	85½	82	84½	82	86½	81¾	86⅞
Montana-Dakota Utilities Co 5	22½	25¼	22½	27⅝	24⅝	28½	24½	27⅝	23¼	25¾	21⅝	24⅛	20⅜	22⅞	19½	23⅛	17½	20⅝	18⅝	20¾	18⅝	20⅛	18½	20¾
Rights	—	—	—	—	—	—	—	—	1/16	[illegible]	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Montana Power Co (The) *	29¾	30½	29½	31	30⅜	32¼	27¾	30⅞	28	28⅜	25¾	28½	27⅝	29	28⅛	29¾	27¼	29½	27¼	30	29	30¾	29¾	33¼
Monterey Oil Co 1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	29½	34½	31½	40⅜
Montgomery Ward & Co Inc *	61¼	64½	60	62	59⅝	65½	61⅝	65	59⅝	63⅛	58⅜	60¼	57⅞	59¾	57¼	60⅝	53⅝	58	55⅝	59⅜	55⅝	57½	55	57⅛
Moore-McCormack Lines Inc 12	16⅜	17⅝	16¾	17⅝	16⅝	17⅛	16¼	18⅛	16⅜	17¼	15¼	16⅝	14⅝	15⅝	14¼	15	11⅝	14¼	12⅛	13⅜	12⅛	12⅞	12	12½
Morrell (John) & Co *	12⅝	14	13¼	13⅞	13⅛	13⅜	13¼	15½	13½	14½	12¼	13½	12¼	12¾	11⅜	12½	10¾	11½	11⅛	12⅛	11¼	12¼	11⅝	13
Motorola Inc 3	40	43⅛	38¼	41	37	40¾	34⅝	38¼	34⅜	37⅛	31	34¾	32⅜	35⅞	31⅛	36½	31¼	35⅜	33⅛	35½	30⅛	34	29¼	32⅜
Motor Products Corp 10	30½	32	30	31⅞	31	34⅜	29¼	31⅜	30¼	31⅜	28½	31¾	28¼	30⅜	24⅜	28¼	23¼	25¼	24¼	25¼	22⅝	24½	21	24
Motor Wheel Corp 5	25⅜	27⅜	25¾	27⅛	25⅛	26⅞	24½	25½	24½	25⅜	22¾	24½	23	24	22¾	24⅞	22⅛	23⅜	22¼	23⅛	22¼	23¼	21¾	23
Mueller Brass Co 1	23⅛	24⅝	23⅝	25⅝	24⅛	27¾	23	25¼	24¾	26¾	23½	25¾	23⅝	26	23½	25½	21⅝	24⅝	22	26½	23⅞	26⅞	23	24⅞
Mullins Mfg Corp 1	24¼	25½	24	26¼	24¾	26⅞	23¾	25½	23	24¼	21½	23½	20	22	20⅛	23⅞	18	20¾	18	19¾	18⅜	20	18½	21⅞
Munsingwear Inc 5	12	13	12¼	12¾	12½	13⅛	12⅜	13	12⅝	14⅛	12¾	13½	12¾	13⅜	13	13⅝	12¼	13¼	12½	13¾	13¼	13¾	13⅛	13¾
Murphy Co (G C) 1	48¼	50	47½	50	45¾	47⅞	44⅝	46¾	45½	48	46⅝	48¾	46⅞	49	47⅛	48½	46¼	49¼	44	47½	44½	45¾	43	45¼
4¾% preferred 100	108	110	108	110	106½	110¼	105	107½	104½	107	105¼	107	107	108	108	109½	107¾	109½	106¼	107¾	108	109½	106½	109
Murray Corp of America 10	20⅛	23¼	22⅛	24⅝	20½	24¼	20⅝	22	21⅝	22½	18½	21¾	19⅛	20	18½	19⅞	16½	18¾	16¾	19⅜	17¾	19½	17⅜	19
Cum preferred 4% series 50	47	48⅜	47¾	50	47	49½	46	46½	45	46½	43¼	46	43¼	44¼	42½	43¼	44	44	43¼	43¾	43½	44	43	44
Myers (F E) & Bros *	49	50	48½	51	46⅛	49	43½	46½	41½	43½	37	39½	40	42½	39	40	37½	38	37⅞	40	36½	38	35¾	38

N

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Nash-Kelvinator Corp 5	22⅛	23⅝	23⅜	25¾	21¾	24⅞	21½	23½	22	23⅛	20⅝	22¼	19⅜	21	18⅜	20¼	16¾	18¼	17⅜	18⅜	17½	18⅛	16	18⅛
Nashville Chat & St L Ry Co 100	93	99¾	90	96¼	87½	92¼	81¼	87	83½	90¼	83¼	89¼	84¼	88¾	78½	85	74	79	76½	80¾	75	78¾	74	79
National Acme Co 1	33¼	34¾	31½	33¼	32½	36¼	32	35	33	34⅞	32¼	34¼	33	34⅛	29¼	34	28⅛	30½	28	32¾	29¾	32	29	32
National Airlines Inc 1	14⅜	15½	13½	14¾	13½	14⅝	12⅞	13⅞	13⅞	15⅛	12¾	14½	13½	14⅛	11¾	14⅛	11⅛	12¾	11¾	12⅞	12⅛	13¼	12⅞	14⅛
National Automotive Fibres Inc 1	19½	21⅛	19⅝	21⅜	19⅞	21½	19¼	21	20	21¼	19	20	19⅝	20⅝	18	20½	16⅞	18⅜	17¼	19¼	17½	19⅞	17	18⅛
National Aviation Corp 5	21	22⅞	21¾	23½	22⅛	25⅝	21	22⅞	22¼	23½	20⅜	23¼	19⅞	21½	19⅞	21½	19½	21½	20¼	22⅜	22	24⅛	20⅜	24
National Biscuit Co 10	35⅛	36⅜	35⅞	37	36	38	35⅛	37⅜	36⅛	37⅛	34⅝	36⅝	34¾	36⅜	35	37	34	35⅝	34¼	35⅜	34⅜	36	35¼	36¾
7% preferred 100	168	173¼	162	168	162	167	161½	165¼	161½	165	158¾	163½	162	166	164	168	165	168	168	174	169¼	173½	170	174¾
National Can Corp 10	11	12⅛	11½	13⅞	12½	13¾	11¼	12¾	11⅞	12¾	10⅝	12⅛	10⅝	12½	10⅜	12¾	10	11⅜	10	10¾	10	11⅝	10½	11½
National Cash Register Co *	54½	57¼	52¼	57	52¾	59¼	53¼	56⅝	54½	56⅞	52⅝	56¾	51½	54⅝	53	57¼	51¾	57	55⅛	56⅞	52¾	59¼	53⅞	60¼
National City Lines Inc 1	13⅝	15⅞	14⅜	15⅝	14¼	15¾	14⅛	15½	14¾	15⅜	14⅝	16½	15⅝	17½	17	18⅜	16	17¼	16⅝	17⅞	16⅞	17¾	16½	17⅜
National Container Corp 1	10¾	11¾	10½	11	10⅜	11¼	9⅝	10⅜	9⅞	10⅝	9¾	10⅝	10	10½	9⅝	10¼	9	9⅞	9¼	9¾	9⅜	10½	10⅛	11⅛
$1.25 convertible preferred 25	—	—	—	—	—	—	—	—	—	—	20	20¾	19½	20½	19	20¼	19	20	19	19½	19	20¼	19⅛	20⅞
National Cylinder Gas Co 1	15¾	18⅛	16¼	17⅞	17⅛	19¼	17¼	18½	17½	18⅞	16⅛	18⅛	15⅝	17	16	17⅞	15	16½	15⅜	16⅜	15½	16⅜	16¼	17⅞
National Dairy Products Corp 10	59	60¾	59	62½	57⅝	60¾	56⅞	60¼	58⅜	59¾	56⅝	59⅞	58¾	60¼	59⅛	63⅜	56¾	59¼	58½	62¼	60¼	62¼	61⅞	66½
National Department Stores Corp 5	14⅛	15¾	14⅛	14⅞	14⅜	15⅛	14½	15¼	14⅜	14⅞	13	14½	13¼	14½	13¼	13¾	12¼	13¼	12⅜	13⅛	12⅛	13⅛	12	12¾
National Distillers Products Corp *	[illegible]	23½	19⅞	21⅛	20	21¾	18⅜	20¼	18	19⅝	17½	19⅛	18	19⅛	17⅝	19⅝	16⅞	18¼	17	18⅞	17⅜	19½	18¼	19⅝
4¼% preferred series of 1951 100	95⅞	99½	92	96¼	91	93¼	89⅜	91	89½	90¾	87¼	90	87¾	92	89	92⅞	87½	90	88½	91⅞	88½	92	84	89
National Gypsum Co 1	21⅜	22⅝	21⅛	22⅜	20⅝	22⅛	20½	21⅞	20⅞	22⅞	20⅜	22½	20	20¾	18	21	17⅝	19⅜	18¼	19¾	19¾	21¼	19¾	21⅜
$4.50 convertible preferred *	91½	93¾	90	93	90	93	92⅛	93¼	90⅜	92½	88½	91½	87¼	91	90	92	91½	93½	93½	95	92½	96	91½	93½
National Lead Co 5	30⅛	33	29¾	31¼	30⅜	33⅝	29⅝	32¾	30¾	33⅞	30⅜	33⅛	31⅝	33¾	31	34⅛	30⅛	33¼	32⅛	36	36	38½	35¾	38¾
7% preferred A 100	167	172	165	169	164	167	157	165	157	159½	155¼	160	159⅛	164	161	166	161½	167¾	167	173	168	173½	169¾	173
6% preferred B 100	142	144½	137	142	135¾	138¾	132	135	134	135	132½	135½	134½	137	135½	138	135	137¾	137¾	145	140½	146	140	144
National Linen Service Corp 1	7⅛	7⅜	7	7⅜	7⅛	7⅜	7	7¼	7¼	8⅜	8⅛	8⅞	8¼	8⅝	8⅜	8½	8⅛	8⅝	8⅜	9¼	8⅛	9¼	9⅛	9⅝

For footnotes see page 15.

1953 — NEW YORK STOCK RECORD — 1953

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
National Malleable & Steel Cast Co___*	32⅞	34½	33⅛	35¾	33⅝	37⅜	32¾	34½	34¼	35⅞	32¾	35¼	31⅞	33	24¾	32½	22¾	26¼	23⅝	26½	23⅛	25⅝	20½	23½
National Shares Corp___*	31¼	32¾	31¼	32	31⅝	32½	31	32¼	29½	31¾	29½	30	29	30¼	28	29½	25¼	28	26	28½	28	28½	27	29
National Steel Corp___10	49	52¼	46¼	50⅛	46	49⅜	45	47¾	45	47⅞	42¼	44⅞	43½	46	41⅜	46⅜	40⅛	45	44⅜	46⅞	46¼	47⅝	45¾	47¼
National Sugar Refining Co. (The)___*	27⅝	30¼	28	29	28¾	29¾	29⅜	29⅞	29	30¼	27¼	29⅜	27⅛	27½	27¼	27½	26⅛	27½	25½	27	25½	27	26	27¼
National Supply Co (The) common___10	29⅛	31⅜	29⅛	30½	28¼	30⅞	26⅞	29¼	28	29⅜	25¾	28½	26⅛	27⅞	24½	28¼	22⅜	25	23	25¾	24⅝	25¾	24	27¼
4½% cum preferred___100	87¾	89	87¾	89	87¾	89	87½	88⅜	87¾	88¼	87½	88	87¾	88½	87⅝	88⅜	86½	88¼	86½	89	88½	91	90	91
National Tea Co___5	24⅜	25⅞	25⅛	28⅞	27	28¾	26½	28⅜	27⅛	29¾	26⅛	28½	28¼	28⅞	27⅞	29⅛	26¾	28⅛	27¼	28¾	28	28⅞	27¼	28⅜
Cum pfd conv 4.20% series___100	104¾	106¼	106½	115½	108	114	108	112½	109½	116½	105	113	113	115¼	113	116⅜	109	112	109½	114½	111¼	115	109⅝	112½
National Theatres Inc___1	4⅛	5⅛	4¾	6¼	5⅞	7⅜	6¼	7¾	6⅜	7⅛	6	6⅞	6½	7⅛	6⅜	7¼	5¾	7	5¾	6⅜	5¾	6⅞	6⅜	7¼
National Vulcanized Fibre Co___1	11⅝	12⅞	11¼	12	11½	12⅜	11⅜	12¼	10¾	11¾	10½	11¼	10⅝	11⅝	10¾	12	10	10¾	10⅛	11¼	10⅜	11⅛	10⅛	10⅞
Natomas Co___*	6½	7¼	6⅞	7⅜	7⅛	7¾	6½	7¼	6⅛	6⅞	5¾	6¼	5¾	6	5	5⅞	4⅝	5⅜	4⅝	5⅛	4⅝	5	4⅛	5
Nehi Corp___1	10¾	11¾	11½	13⅝	12¾	13¼	11⅜	12¾	11¾	12⅝	10½	12⅜	11⅛	12	10⅞	11⅜	10½	11	10⅝	11¼	10⅞	11½	10¾	11½
Neisner Bros Inc___1	13⅞	14¼	13⅞	14⅛	14	15⅞	15⅝	16¾	15½	15⅞	14¼	15½	15	15⅝	15¼	15¾	14¾	15¼	14¾	15⅛	14¾	15⅝	14⅛	14⅞
4¾% conv serial preferred___100	105	105	105	105¾	105⅛	106	105	105	105	105	105	105	105	105	105	105	105½	105½	105	105½	105½	105½	--	--
Nesco Inc___5	11⅞	12⅝	11¾	13⅜	11¾	13⅜	10⅞	11⅞	11⅛	15¼	12⅜	14¾	12¼	13	12¾	14¼	12⅛	13¼	12⅛	14¼	13¾	15⅜	14¼	15⅝
Newberry Co (J J)___*	36	37½	36⅛	38	36¼	37½	33¾	36	34¼	35	31⅜	33¾	33	34	33¼	34¾	32½	34	32	33¼	31¼	32¾	31½	34⅛
3¾% preferred___100	90	93	90	92	90½	93	90¼	93½	90	92	85½	90	86	90⅛	88	93	88	89½	90	92½	91¼	92½	86	90
New England Electric System___1	13⅝	14⅛	13⅝	14⅛	13⅞	14¼	13¼	14¼	13⅛	13¾	12¼	13¼	12¾	13½	13¼	14	12⅝	13⅝	13⅛	13⅝	13⅜	14	13⅝	14⅛
Rights___	--	--	--	--	--	--	--	--	--	--	1/64	5/64	--	--	--	--	--	--	--	--	--	--	--	--
N J Power & Light Co 4% pfd ser___100	90¾	92½	90	90½	89	90½	90	91	87	88½	85	85	86	87	88½	88½	88	90	89½	90	90	90	89	92
Newmont Mining Corp___10	53	56	51½	55⅞	47	52	41½	48¼	42⅜	45¼	40½	43½	40	43⅞	37¼	43	37½	40½	38	42⅞	41⅜	43¾	40	43⅞
Newport Industries Inc___1	14⅜	16⅜	14⅜	16	14¾	16¼	13½	15	13	14⅛	11⅞	13¼	12¼	13⅝	11¾	12¾	10⅞	13	11⅜	13¼	12⅝	14¾	12⅜	14¼
4¼% cum preferred___100	68⅝	72	71¼	71½	71½	72½	70⅜	72½	70	71¼	66	69	69	70	70	70½	66	70½	66	69¼	69	69	64	69
Newport News Ship & Dry Dock Co___1	31⅞	34	32¼	34	32¼	33⅝	29½	33	29¼	30⅞	27	29⅜	26½	28¾	26	28½	23¾	27½	25⅞	28	26¼	28⅜	24¾	28⅝
New York Air Brake Co___5	19⅝	21⅝	19¾	21⅜	20½	23⅛	19¾	21½	20	21	18¾	20⅛	18⅞	19⅞	18	20	17⅛	18¼	17¼	18⅝	17¼	18	17½	19¼
New York Central RR Co___*	22⅛	25½	22⅝	25½	21⅛	24⅝	20½	22⅜	21½	24½	22½	24½	24	25¼	21⅛	25⅛	19	22	19⅛	20¾	19	20⅞	18¾	20⅜
N Y Chicago & St Louis RR Co___20	44¾	48⅛	42½	46	42	46⅞	40	43⅜	40¼	44¾	39	43¼	38	43⅜	31⅜	38⅝	30	34	30½	34⅞	33	36¾	32¾	36
6% preferred series A___100	106	108½	107⅞	108¾	107¾	109½	106¾	108	105½	107¼	101¾	105½	105¼	107	102	107⅜	102	104	103	105	102	105	104½	106
N Y City Omnibus Corp___*	15¼	16⅜	15⅛	16¼	14⅝	16⅜	14½	15¾	14⅜	16⅛	15¼	16⅞	15⅞	17⅝	15¾	17¼	14⅜	15¾	14½	15½	15⅝	17⅜	16⅛	17½
New York Dock___*	67½	70	67½	69½	69	70	66	67¾	66	68½	69	70	69	69	--	--	60	66	59½	63	60	62	62	64
5% non-cum preferred___*	89	90	90	92	88	88	83	86½	83⅛	84½	82	85	85	85	82	85½	80	80	81	83	82	86¼	85	89
N Y & Harlem RR Co___50	470	520	500	500	480	480	450	450	400	490	400	400	450	480	485	485	479	492	--	--	465	465	--	--
N Y New Haven & Hart RR Co___100	22⅜	25⅝	24¾	34	23½	27	21⅝	24¼	20⅛	23⅛	19⅞	25¼	23⅞	28	23¾	27⅞	21¾	25¼	21⅝	27¾	25¼	27⅝	23	26⅛
Preferred 5% series A___100	56½	62⅞	60	65⅞	59¾	62¾	57¾	61¼	57⅝	59⅝	54	58⅞	57¼	59⅞	56	60¼	51	56¾	55¼	57⅞	56½	58¼	49¾	59
N Y Shipbuilding partic stock___1	15⅛	20⅜	18¼	19⅞	19	20⅝	19½	21½	19¾	20¼	18¼	20¼	18⅜	21⅛	19¾	23¾	22⅛	24⅜	22⅝	26¼	25⅞	30	26⅜	29
N Y State Elec & Gas Corp com___*	34⅛	35½	33⅛	34¾	34	37⅜	32¾	35¾	33¼	35	32⅛	34	32⅛	34½	33¼	35⅛	31⅜	33½	32⅜	33⅞	33⅞	36½	36	36⅞
Common rights___	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	⅛	3/16	3/16	3/32	--	--	--	--
$3.75 cumulative preferred___100	91	92	90	90½	82½	87¼	81	84	82	84	80½	84	81¾	86½	86	88	86	89	88¼	89¼	88½	90	89	89½
Niagara Mohawk Power Corp com___*	27¼	28¼	27⅛	28½	27	28⅜	26½	27⅞	26¾	27¾	24⅝	27¼	25⅛	26½	26	27⅜	24¾	26⅜	26	27¼	27⅛	28	27⅜	28¼
Class A___*	27½	29¾	29½	29¾	27½	28¼	27¾	28⅛	26⅞	27⅜	27	27¼	--	--	--	--	--	--	--	--	--	--	--	--
3.40% preferred series___100	79	80⅜	79⅛	80	77	80	75	80	75¼	80	75	77	76½	77	78	78	77	79¼	78¼	80	79½	80¾	79	80¼
3.60% preferred series___100	85	87½	86	86½	84	87	80¼	83	80½	84	79	82	80	81½	82¾	86	83½	85½	85¼	86½	86	87½	85	86¼
3.90% preferred series___100	90½	93⅜	91½	92¾	89	92½	88	93	88	90¾	87	90½	87	90½	87	90	87½	89½	89⅛	91¾	91¼	94½	91½	94¼
Noma Electric Corp___1	11	15	9⅛	13⅞	9¼	10	9⅛	9⅝	9⅛	9⅝	8⅞	9½	8¾	9⅛	8¼	9	8	8½	8½	9⅛	--	--	--	--
Nopco Chemical Co___2	19⅜	20¾	19	20½	19	19¾	17	18⅞	17¾	18⅝	17¼	18¼	17	17⅞	16⅝	18⅜	16	17	16½	18¼	17¼	19	17⅝	18⅞
Norfolk & Western Ry Co___25	50¾	53⅛	51	52⅜	49⅝	51½	47¼	49⅞	44⅝	49¼	43¼	45⅝	44¼	45⅞	43⅜	46	42	44⅛	41⅜	44⅞	40⅝	45¼	39¾	42⅛
Adjustment preferred___25	25⅝	26	25⅝	25⅞	25¼	25½	24¾	25⅜	23⅞	25¼	22⅝	23⅞	23¼	24	23½	24⅜	23¼	24½	23¼	24½	23⅝	24¼	23½	24¼
North American Co___10	20¾	21¾	21⅜	22⅛	21⅞	23¼	20½	22⅜	20½	21	19	20⅝	19¾	20⅞	20	21	19½	20⅝	20⅛	21¾	21⅝	22¾	19⅞	23
North American Aviation Inc___1	16¼	18¼	18⅛	19¾	16¾	20½	16	18⅛	17⅛	19⅛	16½	19	16¼	17⅜	16½	17⅞	15⅜	18⅛	17	19	18⅝	20⅛	19⅝	22¼
b Northeast Capital Corp___1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	8¾	9⅛	8⅜	9
Northern Central Ry Co___50	85¼	87	85¼	87	86	87	85	86	84⅝	86	84	84⅝	83	84	83½	84½	83½	85	84¼	85¾	84¼	85¼	84	86¼
Northern Natural Gas Co___10	43½	46¾	41½	45	41¼	44⅜	39⅛	43¼	37⅜	39¼	35⅜	37⅞	34¾	38⅛	36	38⅞	34½	37½	36	39⅜	37	39½	37¾	41¾
Rights___	--	--	--	--	--	--	--	--	7/16	11/32	--	--	--	--	--	--	--	--	--	--	--	--	--	--
5½% preferred___100	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	103¼	106½	106	107½	105	107
Northern Pacific Ry Co___100	77	84	73⅝	79⅞	71½	80⅜	65⅝	74¼	67⅞	75¾	66¼	71⅝	64⅜	70⅝	55½	69⅛	52	58¼	53¼	60⅛	55¼	59½	54⅛	61⅛
Northern States Pwr Co. (Minn)___5	12¼	13	12½	13¼	13⅛	14⅛	12¾	13⅞	12⅝	13	11⅞	12¾	12⅛	13	12¾	13⅜	12⅝	13⅜	12⅞	13¼	13⅛	14	13⅜	14¼
Cumulative preferred $3.60 ser___100	84	86	83½	85¼	84	87	78	83	79	81	78¼	80	80	85¼	82¾	85	83	85	84	86½	84	86½	83½	86
$4.80 preferred___100	107	108	107½	107¾	107	109	105½	107½	104	105½	100½	104	103½	104½	103½	104¾	104	104⅞	103¾	106⅜	106⅜	107⅜	106½	107½
Preferred $4.10 series___100	99	101	97¼	100½	98	98½	97	97½	92½	95¾	89¾	91½	91	93½	93½	95½	94½	95½	94¾	98	96	99	97⅜	99
Northrop Aircraft Inc___1	12⅞	15¼	14¾	16½	14	18⅜	13½	15⅛	13½	15	12⅜	14¼	12½	13½	13¼	15¼	13⅜	15⅝	14⅝	15¾	15⅜	17	16⅜	18
Northwest Airlines Inc___10	13¼	14½	13	14½	13	13⅞	11½	13	11¾	12½	10½	11¾	11	12¼	10⅛	12½	9⅝	10¾	9½	10⅜	9⅜	10¼	8½	10⅛
4.6% cumulative preferred___25	22	24⅝	22	24	21⅞	23½	20	22¼	20½	21⅞	19¾	21	19⅞	20⅞	18⅜	21⅜	18⅛	19½	18	19	17½	18⅞	16⅝	18¾
Norwich Pharmacal Co___2.50	20⅜	21¾	20½	21½	20¾	23¼	21¼	25⅛	21¼	22¾	20¼	22	20⅛	21⅜	20	21¾	18½	20½	19⅜	21¼	19⅜	20⅜	19½	22⅞

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Ohio Edison Co common___12	37⅝	39⅝	38⅛	39¾	38	39½	37¼	39	37	38⅛	34¼	37½	36½	38	36½	38	35⅜	37¼	37	38⅝	37¾	39	38⅛	39
Common rights___	5/16	13/32	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
4.4% preferred___100	101¼	106	102¾	104¼	102¼	104¾	100¼	102⅜	96	100½	94⅜	97	97	98	96½	102	99	102½	100	102½	101⅛	103	99⅞	102¾
3.90% preferred___100	90¾	93½	88	93	89½	92	86¼	90	86¼	89	83	87¼	86¾	88¼	87	90	85½	90	87¾	92½	90¼	91¼	89¼	92
4.56% preferred___100	105⅛	106	105½	106¼	105¼	106¼	103	105½	100	104	100	102	101¾	104	103¼	104¼	104	104½	104	106¼	104	105¾	105	106¼
4.44% preferred___100	--	--	102¼	102¾	102½	104	99	101¾	99	101	97⅞	99½	99	102¼	100¼	102¾	100	100¾	101¾	103½	103½	104	103½	104¾
Ohio Oil Co (The)___*	52⅞	56¼	51¾	56	52⅝	56¼	50½	53¾	50¾	55¼	49⅞	56	53¾	56⅞	50¼	57⅞	50	54	50⅜	54	53¾	56¼	53¾	56⅜
Oklahoma Gas & Elec Co com___10	25⅜	26⅞	26⅛	27	26¼	28	24⅞	28	25¼	26⅛	23⅝	25⅝	24⅞	25½	25	26¾	24½	25⅞	25½	26¼	25⅞	27	26⅜	27⅞
Common rights___	--	--	--	--	--	--	3/32	3/16	5/64	9/64	--	--	--	--	--	--	--	--	--	--	--	--	--	--
4% cumulative preferred___20	18	18⅞	18¼	18⅜	18⅛	18½	18⅛	18⅝	18⅛	18⅜	17	17⅛	17⅛	17½	17⅜	17¾	16⅞	18	17½	17⅞	17⅞	18⅛	18⅛	19¼
Oliver Corporation___1	13⅞	14⅝	13⅝	14¾	13⅛	13¾	12⅜	13⅜	12⅛	13	11¼	12½	11	11⅝	9¾	11½	9	10	9⅛	10⅛	9⅛	9¾	8⅝	9½
4½% convertible preferred___100	91	95¼	93	94¾	91	93	87½	91¾	85¾	87¾	80¼	86¼	80	84¼	75	82	71¼	76	72	76	71½	74½	71¼	75
Omnibus Corp (The)___6	9⅝	10⅞	9¼	10	9⅛	10¼	9½	10	9⅜	9⅞	9⅜	10⅛	9⅝	12⅞	11½	13	10⅞	12	11¾	12¾	12½	14	13	15¼
Oppenheim Collins & Co (The)___10	27½	27½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Otis Elevator Co___*	38¾	41⅜	40½	42½	42⅜	45⅛	40¼	43⅝	41	42⅜	38⅝	42	39⅝	42¾	37⅝	42¾	38	39⅝	38⅛	42⅜	41⅞	44⅜	43¼	46¼
Outboard Marine & Mfg___2.50	28¼	32¼	28	33¼	28⅝	31	29¾	31¾	30¾	32½	30¼	31½	31	32½	32¾	38¼	35½	41¾	38⅛	42½	39¼	40½	37½	40¼
Outlet Co (The)___*	82	84	82	83½	82½	83	82	84	81	81¼	81	82	82	83½	81¾	84	80	81	79¼	83	81	84	82¾	84
Owens-Corning Fiberglas Corp___5	44⅜	47⅞	43¼	46	43⅛	46¾	43⅛	45	42	44⅜	38¼	42	40¼	43¾	42⅛	44½	38	43⅞	42⅝	46¾	44¾	47	46⅞	55¼
Owens-Illinois Glass Co___12.50	75¼	80½	78¼	80	78⅛	81	75½	80	75¾	79½	69¼	76	72	74¾	71	77¼	70	73⅜	73	75¼	73¼	75¾	74¾	79⅛

P

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Pabco Products Inc common___*	12¾	15⅛	13⅛	13¾	13¼	14¼	12½	13¾	12	13	11½	12⅞	12½	13½	13⅜	14½	12¾	14⅛	13	14⅝	14½	15⅛	14¾	16
4% cum conv preferred___100	83½	85	84½	86	85	88	86	87	86	86	81	82	--	--	80½	82	82	83½	80	83	81	83	81½	82
Pacific American Fisheries Inc___5	11⅝	13⅞	11⅛	12	11¼	12⅞	10	11¾	10½	11	9¾	10¾	9½	10	9⅝	10⅛	7⅞	9½	7⅝	8¼	7⅞	8⅞	7¾	8⅛
Pacific Coast Co___10	38	41	40¾	45	40½	48	38¾	42	39⅜	42½	38¾	40	37	39	39	41	35¼	39½	35	36⅜	37	39¼	34¼	40⅜
First preferred non-cum___*	60	66	66¼	70	69	73½	65	67	66	69	55¾	60	57½	60	48½	60	56	58½	58	64½	67	69½	60	70
Second preferred non-cum___*	49¾	53	53	55	55	57¾	52	54	53	56⅞	47	50	47	49	47¼	50	46½	48½	46	47¾	48	50½	46	52¾
Pacific Finance Corp___10	27⅝	28¾	27½	30¼	27¾	29⅞	27	28⅜	27½	29	25½	28	25⅝	26½	26¼	28¼	26½	27⅜	26½	28¼	26⅜	28¼	27¾	30
Pacific Gas & Electric Co___25	38¼	39¼	38½	39⅜	37⅞	40	36¼	38	37½	38¾	34½	38½	36⅝	38⅛	37⅜	38¾	36	38⅞	36⅞	38¼	38⅛	40	38⅞	40
Rights___	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	⅜	½	13/32	15/32	--	--	--	--
Pacific Lighting Corp___*	55¾	57⅞	56¾	58⅞	58⅛	61⅞	56¼	59⅜	56⅝	60⅜	55½	59⅜	56⅞	59¼	57¾	62	61	66⅝	64¼	67	65¼	66½	--	--
"When issued"___	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	32⅞	33½	32¾	34¼	33⅝	34⅜
Pacific Mills___*	25⅝	28	25½	29	27⅛	30	25⅝	28	25⅜	27	24⅝	27	25¼	26½	24	26¾	23½	25	23⅛	25⅛	22⅜	25⅛	22⅜	23⅛
Pacific Telep & Teleg Co___100	115¾	118⅞	116½	118⅞	116¾	119⅜	113¾	117	114	116½	111½	116	112¼	115½	112¾	115½	110½	115	110¾	114⅞	114	115⅞	114	116¼
6% preferred___100	140	142½	140	142¼	137	142¼	133¾	136	132¾	135	129½	134¼	130⅝	135	133¼	135¼	133	135½	135¼	137¾	137¾	139	136	137¾
Pacific Tin Consolidated Corp___1	7½	8⅝	8	8⅝	7½	8½	6⅛	7⅞	6¼	7⅛	6	7	6	6½	5¾	6¼	4⅝	5⅝	4⅞	5⅛	5	5⅜	4⅞	5¼
Pacific Western Oil Corp___4	23⅜	25¼	22½	24¾	23¾	47¾	36⅝	47¼	37¾	44⅜	37½	44⅛	33¾	39⅜	34½	38¾	29⅛	36¾	30	33¼	30⅞	34⅛	30⅛	34
4% preferred___10	8¾	9½	8⅝	8⅞	8⅞	9⅛	8⅜	9	8⅜	8½	8½	8¾	8½	8¾	8½	8¾	8½	8¾	8½	8⅝	8½	8½	8½	8⅛
Packard Motor Car Co___*	5⅜	6¾	5⅞	6½	5⅜	6¼	5	5⅝	5¼	6⅛	5	5½	4¾	5¼	4½	5	4	4½	4	4¼	4	4¼	3½	4
Pan American World Airways Inc___1	9¾	10¼	9⅞	11⅝	10½	11⅝	10⅛	11	10⅛	10⅞	9½	10½	9⅜	10⅛	8½	9⅞	8¼	9¼	8½	9¼	8¾	9⅝	9	10¼
Pan-American Petrol & Trans Co___5	34	38½	33½	35	33	46	42	46½	43	52½	45	52	47	49¾	45½	48	42	45	45	46½	42½	50	45½	47½
Panhandle Eastern Pipe Line Co___*	78½	81¾	77	82⅞	79¾	88¾	75¼	83½	74¾	80	69	75½	65	70¾	68½	74	65	69⅝	64½	72¾	68½	73¼	68¾	73¼
4% preferred___100	96	98	97	98	97½	98⅛	97	97¼	91	94¾	92	94½	94½	96	96	97	96	97	96¼	97½	97	97½	96½	98½
Panhandle Oil Corp___1	6¾	7⅛	6¾	7¼	6¾	8¾	7¾	10	8⅛	9¼	7½	8⅞	7	7⅞	6¼	7⅞	5¼	6¾	5¾	6½	6⅛	7¼	5⅞	6¾
Paramount Pictures Inc___1	26⅛	28⅞	27⅛	29⅜	27½	30⅜	26⅝	29⅛	27	28	25	27⅜	25½	27⅛	26	27¾	24½	26½	25⅜	27¼	26⅜	27⅞	25⅞	27¾
Park & Tilford Distillers Corp___1	30⅛	34⅝	30⅛	32¾	31	32¾	29½	31¼	28½	30⅜	28⅛	29⅛	29	29½	27⅞	28½	24⅝	26⅝	23¾	25½	23⅞	25¼	23	25¼
Park Utah Consolidated Mines___1	2¼	2¾	2⅜	2⅝	2¼	2⅝	2	2¼	2	2⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Parke Davis & Co___*	40½	44¾	40⅛	43¾	41¾	44⅜	46⅝	43½	35⅝	37¾	30½	36¼	31	35⅝	32⅝	34¾	31½	33⅝	31¾	34⅞	31¾	35½	31⅜	33⅜
Parker Rust Proof Co___2.50	33¾	39⅞	37½	39¼	36⅜	39	34½	36	34½	35⅜	33½	34¾	34	36½	34⅝	37⅞	33½	36	33⅞	35	33⅞	36¼	35¾	37
Parmalee Transportation Co___*	7⅝	8⅛	7½	7⅞	7½	8	7	7⅝	7⅛	7⅝	6⅞	7⅛	6¾	8	7	7⅞	6½	7⅛	6⅝	7⅜	7	7⅜	6¾	7¼
Patino Mines & Enterprises Cons— American shares___5	7⅛	8	7	7⅝	7⅛	7⅞	6¾	8½	7	8¼	6⅝	7⅜	5⅛	6⅞	4⅞	6⅜	4½	5¼	4½	5	4½	4⅞	4½	6
Peabody Coal Co common___5	5⅜	6	5¼	5⅞	5¼	5¾	4¾	5¼	4⅝	5	4⅛	5	4¾	5⅛	4½	5⅛	3½	4½	3	3¾	3	3⅜	2⅞	3¾
5% conv prior pfd___25	17	18	16⅝	17¼	16⅜	16⅞	15¾	16½	15⅞	16½	16	16½	16⅛	16⅞	16	16½	13⅛	15⅞	10⅝	13⅜	11	12⅛	10⅝	11⅜
Penick & Ford Ltd Inc___*	34	35¾	35⅛	35¾	35⅛	37⅜	34½	37	36	37½	34½	36	34⅜	35½	35¼	37¾	34¼	35¾	34¼	37½	34¾	36⅞	36	38¼
Peninsular Telephone Co___*	--	--	--	--	--	--	--	--	--	--	--	--	--	--	28⅛	29¼	27⅜	28⅜	27⅞	29¼	29¼	30	30	31⅜
$1 cumulative preferred___25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	21⅛	21¾	21⅝	22	20⅞	22	20¾	22½	22	22⅝
$1.32 cumulative preferred___25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	27¼	28	28	28	27¼	28¼	27¾	29	28½	29¼
$1.30 cumulative preferred___25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	26½	27	26⅝	27	27½	28¼	28⅛	29½	28⅛	29½
Penney (J C.) Co___*	67¾	70⅜	67¼	69½	65¾	68¾	67¼	69⅛	68½	73½	67½	72¾	68¼	71½	69	71½	67¾	71¼	71	73½	72½	78	72½	81⅛
Pennsylvania Coal & Coke Corp___10	11⅞	12¾	11⅞	12½	11⅞	12⅜	11⅝	14⅞	12⅜	13¾	12	13⅜	12⅛	13⅞	12	13¾	10	12½	11½	13⅛	12	13	10¾	13
Penn-Dixie Cement Corp___7	31⅝	34½	33¼	35½	34¼	39½	34½	37⅜	34½	37⅝	31⅝	34¼	32¾	34¼	31½	36⅞	30½	34½	32¾	35½	34	36¼	35½	38⅜

b Formerly Noma Electric Corp. For other footnotes see page 15.

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STOCKS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Penn Glass Sand Corp 1	28	29	30	33	29	31	28	29	29	30	27	28½	27¾	28½	28	29¼	28	29¾	29½	37	35½	37½	38¼	41½
5% preferred 100	—	—	106¼	107½	106	106	106	106	—	—	101	104	105⅞	105⅞	—	—	105	105	105	105¾	105½	105½	106	106⅜
Penn Power & Light Co *	32⅛	35¼	33¾	35⅛	33⅜	35⅞	32	34¾	32⅛	34⅜	30⅝	33¼	32⅝	33⅞	32½	33⅝	30⅞	33½	33½	34⅞	34¼	35	34¾	35⅞
Pennsylvania RR Co 50	22	23¾	21	23⅛	20½	23¾	19⅞	21⅛	20¼	22⅛	19⅜	21⅜	20½	22⅛	19⅜	21⅝	18	20	18¼	20	17¾	19¾	16⅜	18⅜
Pennsylvania Salt Mfg Co 10	49⅜	52¼	47	50¼	46¼	49¼	43½	47½	43	45¾	40½	43¾	41	44	44	46¼	42	44¾	42½	45	41¼	45	40¼	45⅜
Peoples Drug Stores Inc 5	30	31	30⅞	31⅛	31	32	31¼	31¾	31	32¼	30	31	30	30¾	30¾	31¾	28¾	30⅞	29¾	30⅝	30	31	30⅞	31½
Peoples Gas Light & Coke Co 100	133	139½	138	141½	139½	148½	136	142	136	138¼	129½	136¾	129	132	131	134½	127	133	130	133¼	130½	137	133¾	140½
Peoria & Eastern Ry Co 100	37	39¼	35½	38¼	36¾	47½	34	41	38	42	38½	40	36	40	34	39	28	33½	29½	31	29½	32	30¾	38¾
Pepsi-Cola Co 33⅓c	10¾	12⅛	11½	14⅛	12½	14	12⅝	15¼	14⅛	15⅜	12⅝	14¾	13⅛	14⅜	12½	14½	11¼	12⅞	11¾	13⅜	13⅛	14⅛	13	14
Pet Milk Co *	41	43	41¼	43	40	42	39⅝	40	40	40½	40	41½	39	40	38¾	40¼	40	46	45	47½	44¾	46½	44⅞	49
4½% preferred 100	103½	105	104	104¼	102¾	104	100	103¼	100	103½	102	103½	102	103½	99½	103½	99	100½	100	101¾	101	103	103½	103½
Petroleum Corp of Amer 5	20¼	21¼	20¼	21⅛	20½	21½	19⅛	20¾	20	21⅛	19⅝	20¾	19⅝	20¾	18¾	20¾	17¼	19	17¾	20¼	18⅛	20½	18¼	19½
Pfeiffer Brewing Co 5	16⅜	18⅜	17⅞	19	18⅜	19⅜	18⅛	19	18⅛	18⅞	17¼	18⅝	17¼	18⅝	17½	18	16¼	17⅝	16⅜	17⅜	16⅛	16⅝	14¾	16½
Pfizer (Chas) & Co Inc 1	28	33¾	29	30¾	29	31⅛	26¾	29	28	30⅛	26½	29	26	28⅞	28⅝	31⅝	29½	32⅜	31⅝	34½	32¼	34⅛	33	34½
4% 2nd preferred (conv) 100	105½	108¼	105½	108	102	106⅜	97	103	97	99¾	91½	98⅞	94½	99	95½	98	95	98¼	98¾	105	100¼	103	101	105½
Phelps Dodge Corp 12.50	39¼	40¾	40⅜	43¾	36⅛	42	33⅝	37⅞	33⅛	35½	31⅛	34	31	34	30	34	29¼	31½	30¼	34⅜	32¾	35⅜	29⅞	33⅛
Philadelphia Electric Co *	32¼	32⅞	31¼	32¾	30½	31½	30¼	32¾	30½	31¾	28½	30½	29¾	30¾	30⅜	32	29	30½	30½	32	31⅛	32	31⅝	32⅜
$1 div conv preferred *	23⅛	24⅜	23⅛	24¼	24	25⅛	22½	24	21½	22⅞	20⅜	21½	20⅞	23¼	22½	23½	21¾	23¼	21¾	22⅝	22½	23½	22¾	24¼
4.4% preferred 100	106	111	108	109½	108	109½	100½	108	100	103¾	99	101½	100¼	105½	103¾	105½	102¼	105	104½	108½	108	109¼	106¾	108½
3.8% preferred 100	94¾	99	94¼	96½	95	97¼	94	94	88	93	86	89	87½	90	91½	92	90	92	90⅜	95	95¾	96¼	91½	94½
4.3% preferred 100	105	106	107	108	101	106½	100	103½	97½	100⅜	96½	99	99	102	101¼	102½	101½	103½	103	104½	102½	104	103½	104½
4.68% preferred 100	—	—	—	—	—	—	—	—	—	—	—	—	104½	105½	104¼	105½	104½	105¾	105¼	107⅜	108	108¾	107	108
Phila & Reading Coal & Iron Co 1	17⅜	18¾	16½	17⅞	14½	17⅛	13⅞	15¼	12½	14	12½	13⅛	10⅝	12½	9⅝	11⅝	8⅞	9⅞	9⅛	11⅛	9¾	10½	8⅞	10⅜
Philco Corp 3	33⅝	36½	31	34⅜	32	34½	31	33⅛	31½	33⅝	28¾	32¼	28½	31½	28	33⅛	27⅜	30½	29⅛	30⅞	26⅝	30⅞	27¼	28⅞
Pfd 3¾% series A 100	86½	87½	86¼	87	84	86	80	84¼	81	83½	82	83	81	85	82	84¾	83	84½	82½	84½	85½	88	83½	86⅜
Philip Morris & Co Ltd Inc 5	46½	50⅝	48½	53	50½	55	50¼	52⅞	50¾	52¾	49⅝	51¼	50¼	53	51⅛	54¾	49½	52	48⅝	52⅛	44⅞	49⅛	41¼	46⅜
4% preferred 100	99½	101	98	100	96½	98¼	92½	98	91	92½	92	94	95	96¼	95¼	96	95½	96½	97	99¼	98½	99	88½	98⅛
3.90% series preferred 100	96	98½	94¾	95½	94	95½	93½	93½	—	—	90¾	92½	93½	93½	94½	95	—	—	93¾	95	95	96½	87	92¼
Phillips-Jones Corp *	18⅜	20	21½	25	21¾	23	22	22	22½	25½	25¼	25½	24½	25	25⅜	27	25½	25½	—	—	26	26	27	29
5% cumulative preferred 100	98	98	—	—	—	—	—	—	—	—	92¾	95	95	95¾	95¾	95¾	—	—	95	95	95	97	95	95
Phillips Petroleum Co *	60	63⅜	59¾	62⅞	61⅝	69½	60	66⅜	55⅞	61⅜	52⅛	57⅝	53	56½	50⅝	57½	48¾	52	49⅝	54⅞	52½	54¾	53½	56¼
Rights	—	—	—	—	—	—	—	—	3/32	11/32	1/128	3/32	—	—	—	—	—	—	—	—	—	—	—	—
Phoenix Hosiery Co 5	10½	11	10⅞	12	11⅜	12	12	14	14	19	15¼	16¾	13¼	15⅜	12	12¼	12½	12½	10¼	11	11⅜	12	10	10⅜
Pillsbury Mills Inc 25	35¾	37⅜	35	36¾	35⅛	36½	34¾	36½	34⅞	35½	33½	35⅜	33½	35¼	33½	35½	32	35	32	33	32	35	34⅜	35⅜
$4 preferred *	99	101	100¼	101	99¾	100¾	98⅜	99	96⅛	98	96½	99½	95	96½	96	97	96	97½	96¾	98½	99	99½	99	101
Pitney-Bowes Inc 2	19	20	19⅝	21½	19⅞	22⅝	20¼	22⅝	20	21⅜	20⅛	21	20⅛	21¼	20¾	21¾	19½	21½	20⅝	21⅞	20	21½	20¼	22⅜
Pitts C C & St Louis Ry Co 100	—	—	—	—	—	—	—	—	106½	106½	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pitts Coke & Chemical Co *	27¾	29¾	26⅛	28	25	27½	23⅜	25¾	23¾	25	21⅝	23⅝	21⅜	24⅜	21¼	24¾	19	21⅝	19⅜	21⅜	20¼	21⅞	18⅜	21⅜
$5 cum preferred *	88	90½	93½	94	91½	94	92	93	92½	92½	88	88	85	88½	86½	88	—	—	80	84¾	80	80½	77	81¼
4.60% preferred (convertible) *	95¾	97	91½	96¼	94½	95¾	92¼	94½	88½	91	86¾	88½	88	88	86⅜	88¾	84¾	84¾	80	83	78¼	81	76¼	80½
Pittsburgh Consolidation Coal Co 1	56¼	58¾	57⅞	59½	53	59	49½	54	49	51⅜	46	49	46¼	49¾	44¼	47¾	41⅞	44¼	42½	44½	45	46¼	44	46⅜
Pittsburgh Forgings Co 1	15⅛	15½	14⅞	15⅜	15	16⅜	14⅛	15⅛	14¼	15	13¾	14¾	13⅛	14	12	13⅞	11	12⅜	11⅜	13⅝	12	14	11⅝	12⅞
Pitts Ft Wayne & Chi Ry Co 100	152½	155	—	—	153	155¾	148¾	150½	150	150	150	158	158	161	—	—	159½	162	158½	159	158¾	161	—	—
7% gtd preferred 100	164	164¼	162	165	161	164	155¼	161	155	157	153¼	158	157½	160	162	164	159	162	159½	161	159¾	162½	157½	162
Pittsburgh Plate Glass Co 10	52	55¾	52⅝	55¾	54	58⅝	51	55½	51	54¼	47½	51¾	47¾	50⅞	46⅞	50¼	44	47¾	46⅞	52	51¾	55½	53	55
Pittsburgh Screw & Bolt Corp *	8½	9	8⅝	9⅜	8¾	9⅜	8⅜	8¾	8	8⅝	7¾	8⅛	7⅜	8⅛	7⅜	8	7	7⅜	7	7¼	6⅞	7⅜	6½	7⅛
Pittsburgh Steel Co *	19¾	21¾	18¾	20⅞	19	21¼	18	20⅛	18½	19⅝	17⅛	18½	17½	18½	14½	18⅜	12⅝	15⅜	13¼	15	13⅛	13⅞	12⅝	14½
5% preferred class A 100	72	73	72	73⅝	72	73⅝	69	72	68	70	67	69¼	69½	70	67	69	60	67	60¼	63	60⅜	62¾	69½	61⅝
5½% first ser pr pfd 100	71	72¾	70⅛	71⅞	71⅝	75	72	73¾	70½	71¼	69	70¼	69⅛	70	66	70¼	63	65⅞	64	67	62	64¾	61¾	63⅛
Pittsburgh & West Virginia Ry Co 100	23	24⅝	22¼	23⅞	22½	25⅜	21⅞	23⅞	23⅜	25	21⅝	24	22½	24	19⅝	23½	17⅝	20⅞	19⅛	20¾	19	21⅞	18⅞	21
Pitts Young & Ash Ry 7% pfd 100	146	146	147	147	147	148	147¼	150	—	—	150	150	—	—	—	—	150	150	150	150	150	150	149	149
Pittston Co (The) 1	29	31½	27¾	29¾	29	31½	26⅜	30¼	25⅜	27	23	25¼	22¾	25	20¼	23¼	18	21	19⅞	21⅜	20⅛	22½	18½	22⅛
Rights	—	—	—	—	—	—	—	—	—	—	1/64	1/16	1/32	1/16	—	—	—	—	—	—	—	—	—	—
5½% convertible preferred 100	—	—	—	—	—	—	—	—	—	—	—	—	94	98	90	98	86	91¾	89¼	91	90	93¼	89⅛	94
Plough Inc 5	12	12½	11¼	11⅞	11	11½	11¼	11⅞	11¾	12¼	11½	12	11⅜	11⅞	11⅛	11⅝	10¾	11⅛	10⅞	11½	11¾	12⅜	10⅜	11⅛
Plymouth Oil Co 5	29⅞	31¾	28⅞	30½	29¼	33⅛	28¼	34⅞	29¼	30⅞	26¾	30	27	29⅜	24⅞	29	23½	26⅜	24	26	24	25⅜	23½	26
Pond Creek Pocahontas Co 1	44½	46	44	46½	40⅛	45¾	37¼	42	36½	39¼	36	39	38	39	36⅜	38	35¼	37¾	35⅛	36½	34	36¼	30½	35¼
Poor & Co class B *	15⅜	17⅞	16¼	17¾	16½	17⅜	15⅛	16⅜	16	16½	14⅞	16	15	15½	14½	17	13⅞	14⅞	13⅜	14¾	14	15¼	13¾	14½
Potomac Electric Power Co 10	17⅝	18¼	18	19	18¾	19½	17¾	18⅞	16⅝	17¾	16	16⅝	16⅝	17¼	17⅛	17⅞	16⅝	17⅝	16⅞	17½	17¼	17⅞	16¼	17⅞
Rights	—	—	—	—	—	—	—	—	⅛	⅛	1/256	⅛	—	—	—	—	—	—	—	—	—	—	—	—
Pressed Steel Car Co Inc 1	10⅜	11¼	10⅛	11⅛	10⅛	11¼	10	11	10⅝	11¾	9⅞	11⅜	9⅞	10½	8½	10⅜	7¾	8⅞	8	9½	8⅞	9¼	8⅛	9⅜
4½% cum preferred series A 50	34¼	37	36¾	38¼	37½	38¾	37	38¾	37½	39	35¾	37½	37	37⅜	35½	37⅜	34¾	35½	35⅛	38⅝	37	38⅜	36	37⅛
Procter & Gamble Co *	66¾	68¼	66	68⅛	66½	67⅞	61½	67	62⅞	64¼	59⅞	63⅝	59⅜	64	61	65¼	60¼	62¼	61	65⅞	65½	68⅞	68¼	71⅛
Publicker Industries Inc 5	14¼	15⅞	14	15	13½	15⅛	12¾	14	12⅞	14⅜	12⅜	13⅜	12¼	13⅜	11⅛	13⅛	9¾	11⅛	9⅞	11¼	9¾	10¾	9½	10⅜
$4.75 cum preferred *	80¾	82½	81	82	80⅝	81½	80¼	81¼	80¼	80⅝	80⅛	80½	80¼	80¼	80¼	82	80¼	80½	80	81	77¾	80¼	76¼	77¾
Public Service Co of Colorado 10	29	30	29½	31	30⅜	33	29¾	30⅞	27⅝	30¼	26⅜	27⅞	27¾	29⅜	28⅜	30¾	30½	32¼	30½	33	32¾	35¼	33¾	35⅞
Public Service Co. of Indiana *	33⅞	35¼	34½	36½	34¼	36⅜	33	35⅜	31½	34⅛	29½	32	30½	32	32	33¼	31¼	33⅜	33¼	35⅞	33½	36¼	35⅜	37⅛
Common rights	—	—	—	—	—	—	—	—	—	—	1/128	1/64	—	—	—	—	—	—	—	—	—	—	—	—
3½% preferred 100	82½	83½	80½	83½	77¼	81	78	80	75	80	73	76	75	81	76	80½	76⅜	79¼	79½	83¾	82	84¼	81	82¾
4.32% preferred 25	25¾	26	24⅞	25¼	24⅛	25	24	24⅜	22¾	24	22	23	23¾	24½	24⅛	24½	24	24⅜	24⅝	25½	24½	25½	25	25⅛
4.90% preferred 25	—	—	—	—	—	—	—	—	—	—	—	—	—	—	26⅜	26¾	25	26⅝	26⅜	27½	27	27½	27⅛	27⅛
Public Service Elec & Gas common *	26⅝	27¼	26⅝	27¼	26⅝	27¼	26	27	26	26⅝	24⅛	26⅛	24¾	26	24¾	26⅜	24⅝	25¾	25	26⅛	25⅝	26⅛	25	25⅞
$1.40 div preferred *	27	27¾	27	27⅞	27⅛	27¾	26	27½	26	26⅞	24¾	26¼	25⅛	26¼	25⅞	27¼	24⅞	26¼	25¼	26⅛	25½	26⅜	25¼	25⅞
4.08% preferred 100	100½	102	99	100¾	98	99½	94	98	93	95	92	94	92½	93⅜	92½	96½	93	96½	95	99	100	100⅞	97½	99
4.70% preferred 100	107¼	109½	106½	107¾	105	107½	103¾	106	102½	104	101⅛	102¼	103¾	105	105⅝	106	104¾	105¼	105¼	106¼	105	106¾	105½	107⅛
Pullman Inc *	40⅝	43⅝	41¾	43	41⅛	43⅜	40¼	41¾	39¾	41⅜	38⅝	40⅜	38¾	40¼	38½	41	35¼	38⅝	36¼	38¾	38½	43	40	43⅜
Pure Oil Co (The) *	60⅛	64¾	57¼	60½	56¼	61	54	57⅝	53	57½	47¼	53⅛	48¼	52½	43¾	52¾	42¼	46¾	44¼	47⅝	44⅝	47¾	45⅜	49⅛
5% convertible preferred 100	108¼	109	108½	109½	107⅝	109¾	107	108	105¾	107¼	103	105½	104¾	107½	105½	107¾	105	107	107	108¾	108	109	107¾	108⅜
Purity Bakeries Corp *	32½	34	34	37⅜	34	36	35	35⅞	34	36	33½	34⅝	—	—	—	—	—	—	—	—	—	—	—	—

Q

STOCKS	Jan Low	Jan High	Feb Low	Feb High	Mar Low	Mar High	Apr Low	Apr High	May Low	May High	June Low	June High	July Low	July High	Aug Low	Aug High	Sept Low	Sept High	Oct Low	Oct High	Nov Low	Nov High	Dec Low	Dec High
Quaker Oats Co (The) 5	27¼	28⅜	27⅜	28¾	27¾	30¾	26⅜	28¼	26½	27⅜	25¾	27¼	25⅞	27½	25½	27⅞	25¾	27⅜	27⅛	28½	27⅜	28⅞	27¾	30⅛
6% cum preferred 100	143½	145½	141	146½	138	142½	134	139	134	136	131¼	136	135	137	135	138½	134	139	138½	145	139	144¼	139	142⅛
Quaker State Oil Refining Corp 10	24⅞	25⅜	25	25¼	24¾	25¼	23⅝	24⅞	23¾	24	23¾	24⅞	22¾	24½	22¼	23⅝	20½	22½	20⅞	22¼	21½	23¼	21⅛	22⅛

R

STOCKS	Jan Low	Jan High	Feb Low	Feb High	Mar Low	Mar High	Apr Low	Apr High	May Low	May High	June Low	June High	July Low	July High	Aug Low	Aug High	Sept Low	Sept High	Oct Low	Oct High	Nov Low	Nov High	Dec Low	Dec High
Radio Corp of America *	26⅝	29⅜	25¼	27⅛	25⅞	28¼	25¼	27¼	25	26⅝	22⅜	25⅛	22¾	25	21⅝	25⅞	21⅝	24¼	22⅞	24¼	21	23⅜	22	24⅜
$3.50 cum 1st preferred *	76⅝	79	76¼	77½	75¼	77½	71¼	75¼	69¼	71¾	68	71	68¾	72	70	72¼	69¼	71	71	75⅜	74¾	76¼	75	76⅛
RKO Pictures Corp 1	3¾	4⅜	3¾	4⅛	3⅝	3⅞	3⅜	3⅞	3¼	3½	3⅛	3½	3	3¼	3⅛	4	3	3⅜	2⅝	3⅛	2¾	3⅜	2⅞	3⅛
RKO Theatres Corp 1	3⅝	4	3⅝	4	3¾	4½	3⅞	4¾	4	4½	3¾	4¼	3⅞	4⅛	3¾	4	3¼	3⅞	3¼	3¾	3⅜	4⅞	4¾	5⅛
Ralston Purina Co 3¾% pfd 100	89	91¼	86	90	87½	90	90	92	89½	93	86½	89½	90⅛	92	91½	92½	91	92¾	92¾	95	92½	96	88	92
Raybestos-Manhattan Inc *	43¼	45	41⅞	44	42½	47½	42¾	44¼	42¼	43¼	39½	42	38⅝	40¼	37¾	39½	35½	37½	36⅛	39½	38½	41	35¼	41
Rayonier Inc 1	32⅝	35⅜	28¼	34¼	28	31⅝	27⅝	29⅝	26¾	29½	24⅞	27⅛	25⅝	26⅜	22⅞	26¾	22	24½	23⅝	26⅞	25⅜	27⅜	24⅝	27
$3 preferred 25	33¾	34¾	33⅝	34⅝	33½	34½	33¼	34⅜	32	33⅝	31⅜	32⅛	31	32	31⅜	32¼	31	32¾	31⅛	32¾	31	33	30⅞	34½
Raytheon Mfg Co 5	12⅜	14⅛	12	13⅜	12⅝	14⅝	12⅝	14¼	12⅝	13⅝	10½	12¾	10⅛	11⅛	9¼	11⅜	8	10¼	9⅝	10⅝	8½	10	8¾	9⅜
Reading Co 50	32	33⅞	31	33⅜	30⅛	32½	28½	30⅝	28⅝	30⅞	28½	30	29	30⅝	27½	30¾	27	28¾	26¼	27⅞	26⅝	28	26½	27⅛
4% non-cum 1st preferred 50	40	40½	39¾	41¼	39¼	40¼	38¾	39¾	36½	37½	36¾	37	36½	37	36¾	37½	36½	37¼	37	38	37	37¾	36⅜	37⅛
4% non-cum 2nd preferred 50	34¾	35¼	34¼	35	34¾	36	33⅜	34	33⅛	33⅝	33⅛	34½	32¾	34	33½	34¼	32½	33¾	32⅞	33½	33¼	33¾	31½	33
Real Silk Hosiery Mills Inc 5	12⅛	14⅛	13⅛	14	13½	18⅝	16⅜	17	16⅜	17	16½	19¾	18½	21½	19⅞	21½	20	25	24¾	25¼	25¼	29½	27	29⅛
Reed Roller Bit Co *	19	19⅝	18¾	19⅜	19⅛	22¼	20	21½	19	20½	17⅞	18¾	18	18⅝	17¼	19	16¼	17⅜	16⅛	17⅛	17	17⅜	16¼	17⅜
Reeves Bros Inc 50c	14¾	15⅞	14⅝	15½	14¾	15¾	13⅞	14⅞	13¾	14⅜	13¼	14⅜	13¼	14½	13¼	14¼	12	13⅜	12⅛	14⅛	12⅞	14⅛	12	13⅛
Reis (Robert) & Co—																								
$1.25 div prior preference 10	5⅞	6⅜	5⅝	6	5¾	7⅜	6⅛	7	—	—	5½	6¼	6	6	5⅛	6½	5	5⅜	4¾	5⅛	4½	4¾	4	4⅜
Reliable Stores Corp *	28½	29½	29¾	31⅜	30½	31	28½	30	28¼	29¾	28¾	29½	28¼	28¼	—	—	25	25	26	27⅜	27	27½	27½	29
Reliance Mfg Co 5	10⅝	14½	11⅜	13¾	11⅝	13	11⅛	11¾	11	11⅜	10½	11¼	10⅝	11¾	10½	11	9¾	10¾	10	10¼	9⅝	10⅛	9½	9⅞
Cum conv pfd 3½% series 100	57	60½	58	59¼	58	60	54½	57	55	61	58	62½	58	58	58	62	57	60	56½	56½	57	58	57½	59
Remington-Rand Inc 50c	18⅝	19½	18½	19⅝	18½	19⅜	16⅝	18½	16½	17¼	15	16⅝	15⅝	16⅜	14⅞	16⅛	13⅝	15¼	14⅛	15¼	14⅛	14⅞	14	14⅞
$4.50 cum preferred 25	97	97	92	97	96	97	91	94¾	89	90	87	87	—	—	87	89	84	86	87	95	94	96	95	95½
Reo Motors Inc 1	20¾	22¼	20½	22½	19⅞	23⅜	19½	21	20⅜	23⅞	20¼	22⅞	18⅛	21¾	18	20⅜	18	21¼	20⅛	23⅜	20½	23⅛	20⅜	21⅞
Republic Aviation Corp 1	19½	22⅝	20⅝	24⅞	22¼	27	21¾	25¼	21⅝	24	21½	23⅛	19⅞	23	21½	24¾	20¼	23¾	22¼	25½	22	26½	22⅛	24
Republic Pictures Corp 50c	3½	4	3½	4	3½	4	3½	4⅛	3⅝	4¼	3½	4	3⅝	4⅛	3⅜	4⅛	2¾	3⅜	2⅞	3⅜	2¾	3⅛	2⅞	3⅜
$1 cum conv preferred 10	10½	11¼	10¾	11⅜	10¾	11½	11⅛	11½	11	11½	10½	11⅝	10⅝	11½	10¾	11½	9¾	10⅞	10	10⅜	10	10½	10¼	11
Republic Steel Corp *	45⅝	48¼	44¾	49⅛	46½	52¼	46½	50	48⅛	50¾	45¼	49¼	47¾	49¾	43¾	50⅜	40¾	45¼	42⅝	47½	46⅝	50¼	47	49⅜
6% conv prior pfd series A 100	112	114	112½	113¼	112½	115¾	112	115	113¾	114½	108½	112	111	112	112¼	114	111	114	110¾	112¾	112½	114¾	114⅞	115½
Revere Copper & Brass Inc *	34¾	37½	34¼	38	33¼	36¾	31¼	34½	33¼	38¾	35⅛	38⅝	34½	38	34½	38¼	32¼	35⅞	34½	42⅞	39¾	41⅞	39	41⅞
Rexall Drug Inc 2.50	5½	6	5⅜	5⅞	5⅝	6¼	6	6⅞	6	6½	5⅝	6⅛	5¾	6⅜	5¾	6½	5⅜	6	5⅝	6½	5⅞	6½	6⅛	6⅞
Reynolds Metals Co *	53⅝	56	52	55¾	50½	55½	48	51¾	49⅞	54½	45	51	46⅛	49¾	44½	52½	42¾	46⅛	45½	49½	47¾	49⅞	49½	54¾
5½% convertible preferred 100	195	196	185	198	190	196	175	175	183½	185	158½	175	163¼	170	160	178	144	155¼	—	—	—	—	—	—
Reynolds Spring Co 1	7	8⅝	7⅞	8⅜	8¼	9⅞	7¾	8⅝	7½	8⅜	6½	7½	6⅝	7	5	6¾	4⅝	5½	4¾	5⅝	4⅞	5¼	4¾	5⅜
Reynolds (R J) Tobacco class B 10	40½	43¼	40⅝	45¾	43	47	42⅝	47	45	47¼	43¼	47⅜	46⅛	48	43⅞	49	43⅞	48	46½	47⅞	40⅛	46⅞	36¾	41⅞
Common 10	53½	53¾	—	—	55	56	55½	58	—	—	—	—	58½	58½	—	—	55	56	—	—	55½	57	48	54
3.60% preferred series 100	88½	90¾	88¾	90¼	87½	90	85	87	83¾	86	80¼	84½	85½	88¾	86½	87¾	83¾	86¾	86½	89	86	98½	81	86
Preferred 4.50% series 100	104½	107	103¾	106	103	105¼	102½	104½	101	103½	99⅛	102½	101½	103	101½	103½	101½	103½	102	104½	103½	105	98⅞	105
Rheem Mfg Co 1	25¾	28⅜	26⅝	28⅝	27⅜	29⅞	26⅜	28	26	28⅛	26	27	25½	27	23¾	27	22¼	25	23¾	26⅜	24⅝	26½	24⅜	26½
Richfield Oil Corp *	60½	65	58½	62½	58¼	62½	54¼	59½	57¼	60	52	57⅛	52	57	48½	57¼	43¾	50⅝	45¼	51¾	50¼	52¾	46⅞	52¾
Ritter Co Inc *	25	26¼	25	25	24⅞	26¼	24¼	25⅛	24½	25	23⅝	24½	23½	24¼	24⅜	24¾	22½	24½	22	23½	24½	25¼	24¾	26⅜

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Roan Antelope Copper Mines—																								
American shares	7⅛	7½	7⅛	7⅝	7⅛	8¼	6⅛	7⅜	6¼	7	6½	7⅛	6½	7	6⅝	7¼	7	7⅞	7⅝	8½	8⅜	8⅞	7¼	9⅛
Robbins Mills Inc 20	18⅜	21¾	18½	24¾	19⅝	27¼	17⅛	21	17⅝	18⅝	15¼	17½	14⅝	16¾	15½	18	13¼	15⅝	13½	15¾	13½	15½	11⅛	13¾
4.50% conv preferred series A 50	37	38½	37½	42½	38	44½	35⅞	39¼	35½	36	32¼	35¾	32¼	34¼	31	34½	27¼	30⅝	27⅛	32	28½	33	26⅞	29
Robertshaw-Fulton Controls Co com 1	19⅛	21½	19½	21¼	19⅝	21⅝	18⅞	19⅞	19½	20½	17⅛	19¾	17⅝	18⅝	18½	19⅞	16⅞	18⅞	17⅛	18	17¾	18⅝	17½	18⅞
5½% convertible preferred 25	--	--	--	--	--	--	--	--	--	--	--	--	--	--	24½	25⅝	22⅞	25	22¾	23⅝	23¼	24	24	24½
Rochester Gas & Elec Corp *	38	39⅝	39⅛	40⅛	38¾	40	37⅛	40	37	38¾	35¼	37¼	36¾	39⅝	38⅞	40	37¾	39½	37¾	40⅜	39¾	41⅜	40½	43⅛
Rights	--	--	--	--	--	--	--	--	⅛	3/32	1/64	3/32	--	--	--	--	--	--	--	--	--	--	--	--
Rockwell Spring & Axle Co 5	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	19⅝	21⅜	19⅞	21⅞	18¼	20⅝
Rohm & Hass Co com 20	127	131¾	127¾	132¾	125	132½	115	125	119	128½	119	127	123	131½	122½	137	120	130	130	141	140	146	144½	149⅞
4% preferred series A 100	99	100	--	--	99	99	97½	97½	94½	95	92	93	95	95	--	--	95	95	--	--	99	99	102	105
Ronson Art Metal Works Inc 1	9¼	10⅜	9¾	10⅛	9	10⅛	9	9⅝	8¾	9¼	7	9	7	8¾	7	7⅞	6⅞	7¾	6⅞	7½	7	7⅜	7	7⅞
Royal Typewriter Co Inc 1	20⅛	22⅜	21⅜	22⅜	18¾	22	18	19⅜	18	18⅝	16⅝	18⅛	16½	17¼	16	17¼	15¾	17⅛	15½	16¾	15½	16⅝	14½	16
Ruberoid Co (The) *	59	61	57	61	58¼	61	59	61¾	59	61	56½	60¼	55	57¼	56	58	50½	56	50½	56	54	62	54½	56½
Ruppert (Jacob) 5	14⅜	15⅜	14½	16¼	16	17½	15⅝	17	15¼	16	15	15⅝	14½	15	13½	14¼	13	13⅞	12¾	13¼	12⅛	13⅛	11⅛	14⅛

S

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Safeway Stores Inc 5	32⅜	34½	33⅝	34⅞	33⅞	35½	34	36¼	35¼	36¼	34⅜	36¼	35¾	37⅜	36¼	38⅞	36	37⅞	37⅜	38¾	37⅛	38¾	38⅛	40⅜
4% preferred 100	87¾	90¾	89½	91¾	88	92¼	86¼	89	83½	86	81	84	82¼	87	85½	87	84½	86½	85¼	91¾	89½	93¼	87¾	92
4½% convertible preferred 100	103½	105¾	103	105½	103⅛	106½	103¼	108¼	105¼	108⅛	104	108	107⅝	111½	108½	115½	108½	113	112⅛	115	111	115	114½	120⅛
St Joseph Lead Co 10	39	43¼	38⅛	40½	37¼	39⅜	32	38	34¾	38⅛	33⅞	37	35	36¾	34½	37⅛	31¾	35½	30⅝	34⅜	31¼	34¼	32½	34
St Joseph Light & Power Co *	27	27¾	27¼	29	28¼	29¾	27	28⅝	26¾	29	26¼	27⅜	--	--	--	--	--	--	--	--	--	--	--	--
New *	--	--	--	--	--	--	--	--	--	--	16½	17⅝	16½	17⅞	17¼	19	17¼	18½	18	19	18½	19¾	18⅞	19⅛
St Louis-San Francisco Ry Co—																								
Common *	29½	33¾	30¾	33½	29½	32½	27¾	31½	30⅛	33	27⅞	30⅞	28½	30⅞	25¼	30⅛	23⅜	27	24½	26¼	24¾	26⅜	22	25⅜
Preferred series A 5% 100	73	77	72½	77½	71⅛	75½	69¼	72½	71¼	75	68⅝	72	68¾	71	65⅝	71¼	61	67	62½	65	62⅛	64½	61½	64⅛
St Louis Southwestern Ry Co 100	297	312	275	300	287	310	275½	198	292	309	265	285	270	270	250	270	211	216	239	239	--	--	220	235
5% non-cumulative preferred 100	--	--	155	155	--	--	--	--	150	150	--	--	--	--	--	--	160	160	--	--	--	--	--	--
St Regis Paper Co 5	19	20¼	19⅛	20⅝	20⅜	23⅝	21¼	23½	21⅜	23⅛	19	21⅞	20	22⅞	18⅝	21¼	17¼	19¾	18	20½	18⅞	20¼	19¾	20⅜
1st preferred 4.40% series A 100	92	93	92¼	94	92½	95½	94¼	95¾	93	95	92	92½	92	93¼	92	93	91½	92¼	92¼	95	95	96	93	94½
Sangamo Electric Co 10	23⅜	27	24½	25⅝	24	25⅛	22¾	24½	23	23¾	22½	24⅞	23¾	24¾	22	24½	21	22¾	22½	24¼	22⅝	24¼	23¾	25
Savage Arms Corp 5	14	14¾	13⅞	14½	14	15½	13	14¼	13	13⅞	12½	13¼	12½	13⅞	12⅝	13½	11⅛	12⅞	11¾	12¾	11½	12⅞	10½	11⅝
Schenley Distillers Corp 1.40	26	28	25½	26⅝	25⅝	27½	24¼	26¼	24⅜	26⅛	23¼	24¾	23⅝	24¾	23½	24⅜	20	23½	21⅛	22⅝	20¼	22¼	20½	22⅜
Schering Corp 15c	--	--	--	--	15½	17	14	15⅞	12¾	14¼	11⅝	14¼	12⅝	14¼	12	13⅛	11	12	11	11¾	11⅜	12½	11¼	12⅜
Scott Paper Co *	54	57¾	55¼	59	57¼	58¾	55	58½	56	60½	57	60	58½	62⅜	61	63⅝	60½	66½	64⅜	67¼	66¾	70½	68⅞	70⅝
$3.40 pfd *	88⅝	91½	87	89	87½	89½	85¾	88	66	87½	85⅝	87½	86⅛	87¼	86¾	89	86½	87	86⅛	88½	87½	90	89	91½
$4 preferred *	102½	104½	104	105	104	105	101	101	100	100	98	100½	100	101	100	101	102	103	102½	104½	101	103½	100½	102
Scoville Mfg Co common 25	30¼	31¾	29⅝	31	29½	30¾	29¼	30¼	29⅝	30⅜	28⅛	30¼	28¼	29⅝	28¼	29½	26⅞	28¾	26¾	28	26¾	28	24⅞	27⅜
3.65% cum preferred 100	85½	86	85½	86½	84	85½	83	84	84	84¾	81½	85	82½	85	83	84½	83½	83½	84¼	84½	85	86	82½	85⅜
4.30% conv preferred 100	108½	109¼	105¾	110	105	106¾	104	105¼	103½	104½	98	104	100	103	100½	101¼	100	100¼	101½	104	102½	105	102½	104½
Scranton Elec Co (The) 5	15⅝	17½	16½	17	16⅝	17½	15⅞	17	16⅛	17	15⅛	16⅜	15⅞	16¾	16	16½	15½	16¾	16¾	17⅛	17⅛	17¼	17¼	17⅜
4.40% cum preferred 100	104½	104½	--	--	--	--	101	101	97	97	--	--	--	--	--	--	--	--	--	--	--	--	--	--
3.35% preferred 100	79	79¾	76	78½	75	77	72½	78	73	75	68½	72	73½	75	74	75	73	74½	72	75¼	--	--	--	--
Seaboard Air Line RR Co common *	109	115½	106½	116	110	116	106¼	114¾	108½	118¾	105	121	111	115¾	--	--	--	--	--	--	--	--	--	--
New 40	--	--	--	--	--	--	--	--	--	--	--	--	42¼	45½	38	44⅞	36⅝	41⅝	39	42¾	40⅜	43¼	40½	44
Seaboard Finance Co 1	22¾	24⅜	22⅝	24⅛	23½	25	23¼	24¼	23⅜	23⅞	22	23¾	22	23⅜	23	23¾	21⅝	23⅜	22⅛	24	23⅛	24¼	24	26
$5.75 sinking fund cumul pfd *	--	--	--	--	--	--	--	--	--	--	--	--	101	101	99¾	102	100	100½	100	102	102¼	103½	102	103⅛
Seaboard Oil Co of Delaware *	78	83	79	80⅝	79¼	84	77	82¼	75½	78½	76	83½	79¾	88½	82	90	75	82	72	81	79	81	80½	90
Seagrave Corp (The) 5	14¼	15	13⅞	14⅝	14⅝	17⅞	15	16⅜	15	15½	13½	14½	13⅝	14	13⅛	14¼	13	15⅞	13½	15¼	13⅜	14	12¾	14
Sears Roebuck & Co *	58½	60⅝	59⅛	60⅞	58¼	60¾	56⅛	58¾	57⅞	59⅜	57⅝	59⅜	57⅞	59½	56¼	59¼	56⅛	57½	56⅜	57⅛	56⅜	60⅛	59½	62⅞
Seeger Refrigerator Co 5	23½	24⅞	24¾	26¾	25¼	26⅞	22½	26	22½	24½	22¼	23¼	22¾	23¾	21¼	24	20¼	21¼	20½	22	21½	22½	21	22⅜
Seiberling Rubber Co 1	10⅞	11⅝	10⅞	11⅜	10⅞	12¼	10⅝	11¾	10½	11¼	9⅞	10⅝	9¾	10¼	9⅝	10⅜	8⅜	9⅝	9¼	9⅞	9⅛	9⅜	8⅝	9⅛
Servel Inc 1	12½	13⅞	12½	14⅜	12⅛	14⅜	11⅝	12⅞	10	12⅛	9¼	10½	9⅛	10	8½	10⅛	7⅛	8⅝	7	7⅝	7⅛	8⅜	7½	8⅛
$4.50 preferred *	76½	78½	78	78¾	77	78¼	78	80	78	79½	71	76½	72	72	71	72½	64⅜	71	60¼	64⅜	61⅜	63	60¾	63
Shamrock Oil & Gas Corp 1	38	40½	37¼	39⅞	37¼	40¾	36½	39⅞	37¾	42¼	37⅞	41	39¾	41½	38¼	41⅜	35⅝	38⅝	36¼	39½	39¼	41⅜	40	42⅛
Sharon Steel Corp *	34½	41⅛	39	42⅜	38¼	43½	38⅝	42⅛	41	43⅛	39¼	42	39⅛	40⅞	35	40⅞	32	37	32¼	35½	35	36¼	32	37⅞
Sharp & Dohme Inc *	40¼	44⅝	40½	46⅝	46¾	51½	42½	49⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
$4.25 cum preferred *	100½	103	99	101½	93½	100¼	93⅞	96¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Shattuck (F. G) Co *	9⅜	10⅛	9⅞	11⅛	10¼	11¼	9¾	10⅝	9⅝	10¼	9	9⅝	9	9¼	8⅝	9¼	8⅛	8⅝	8¼	8¾	8¼	8⅞	8	8½
Sheaffer (W A) Pen Co 1	24¾	26	26	26¾	26⅛	26½	24⅞	26	25	25½	24¾	25⅛	25	25⅛	24¾	25⅜	24½	25	24⅝	25	24¼	24⅞	24⅛	25¼
Shell Oil Co 15	68	73	68½	72½	68¼	73½	62⅝	70⅛	64½	70¼	64¾	70⅜	69⅝	75¾	70⅞	76⅞	65½	71¼	68⅛	73¼	71	76	75¼	79½
"When issued"	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	65¾	68¼	--	--	--	--	--	--
Sheller Mfg Corp 1	16⅝	17¾	16	17	16⅝	17½	16½	17⅜	16¼	17⅛	15	16⅝	15	16½	14⅜	16⅜	13¼	14⅞	14⅛	15⅜	14⅞	15½	15⅛	15⅝
Sheraton Corp of America 1	14⅜	15	14¾	16⅛	15	16¼	14	15	13¾	14⅜	13⅝	14⅝	13⅜	14½	12½	14½	11½	12¾	12	12½	12	13⅞	12¼	13⅝
Silver King Coalition Mines Co 5	2¾	3⅜	2¾	3¼	2⅝	3⅛	2¼	2¾	2¼	2⅝	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Simmons Co *	30½	34	30½	32⅝	31½	33⅜	31	32⅝	31½	32⅞	30	32	30	31⅞	29	31⅜	28⅛	29⅞	28½	30⅜	29¾	32¼	29⅛	30⅝
Simonds Saw & Steel Co *	40	42¾	41¼	43	41¼	43¼	41	42	40¼	42⅝	38½	40	39½	40¾	38½	40¼	36¼	37½	37	38¾	37	39¼	35	37½
Sinclair Oil Corp *	40⅜	42¼	39⅛	41⅜	40	43⅝	37¾	41⅛	37¾	39⅞	35¾	38⅜	36⅞	38½	33	38⅝	30½	34⅜	31½	34¼	31½	34⅜	31½	33⅝
Rights	7/16	19/32	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Skelly Oil Co 25	79¾	85¼	79	83¼	79½	84⅞	71½	82	73½	82¾	73¾	81¾	80	86½	74½	83¾	74½	75½	--	--	--	--	--	--
New	--	--	--	--	--	--	--	--	--	--	--	--	--	--	37½	42	33⅝	37½	33¼	35¾	35½	37½	35⅛	37⅛
Smith (A O) Corp 10	35⅝	37	32½	36⅞	33⅛	35⅞	30	33½	30	30¾	27⅜	30	27	28¾	26	28¾	23½	26⅛	23⅞	28⅜	25⅛	28	24¾	27
Smith (Alexander) Inc common 20	14¼	15½	13⅝	17½	15¼	17½	14½	15⅜	13⅛	15¾	11⅛	13⅛	9⅝	12¼	9⅝	12¼	8½	9⅞	8⅝	9¾	8⅜	9⅛	8	9⅜
3½% cumulative preferred 100	55	58¼	55½	58½	56½	58¾	54	57	50	54½	47½	49¾	42	46½	42½	45¼	38¾	44	38½	41	39	40	38¾	40
4.20% preferred 100	66	68	65½	70½	69	69½	62¾	65½	59	64½	56	59½	51	56¼	50	52	46	48½	42½	48	44	47½	42½	46⅛
Smith-Corona Inc *	20⅛	21¼	20¾	21¾	21	21⅞	19¾	21¼	20	20⅞	19¼	20⅛	16¾	19¼	18	18⅞	16¾	18½	17⅜	18½	17	18¼	13	17⅛
Smith-Douglas Co 5	--	--	--	--	--	--	--	--	--	--	16	18⅛	16	16⅝	15½	16¾	15⅜	16⅛	15⅝	16⅝	14¾	15⅞	14⅝	16½
Socony Vacuum Oil Co Inc 15	35¼	37⅝	34⅝	36⅜	34½	36	32⅜	35¼	33⅝	34⅞	32⅛	35	33⅞	35⅝	32½	36	30	33	31¼	35⅛	33¼	34⅜	34¼	35⅝
Solar Aircraft Co 1	18	19¼	18⅝	20	18	21¾	17	18¾	17¼	19	17⅜	18¾	16¼	17⅞	15⅝	17⅜	14½	16½	15¾	17	15⅝	16½	15⅛	16⅝
Solvay American Corp 4% pfd 100	--	--	--	--	135	140¾	--	--	126¼	130	121	125	125	126	--	--	--	--	122	125	130	134	134¼	136½
So American Gold & Platinum Co 1	5¾	6½	6⅜	7⅛	6⅝	7	6¼	7	6⅛	6½	5⅜	6¼	5½	6	5⅛	5⅞	4⅞	5½	4⅞	5½	4⅞	5¼	4⅞	5¼
South Carolina Electric & Gas Co 4.50	11⅞	13	12⅜	12⅞	12½	15	13½	14½	13½	13⅞	11⅞	13⅞	12⅝	13¾	12⅞	13¾	12⅜	13½	13	14⅛	13⅞	14½	14⅛	15
Rights	--	--	3/32	3/32	3/32	⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
5% preferred 50	51	52	50½	51	50½	52	51	51¼	48	53	48½	48½	49	49	49¼	49½	48	50	47	50	49	50½	47⅞	49
South Porto Rico Sugar Co *	48½	52¼	49¼	53¼	49⅛	53	46½	49¼	46	48	44⅛	47½	43½	45¾	43¾	46¾	39¼	45	39½	42	38	41⅜	32⅞	37⅛
8% preferred 25	39	40	39	39¾	37½	38⅜	38½	39¼	37½	37½	33⅞	34⅝	33¾	38⅛	35⅜	38	35½	35½	35	35½	34½	35¼	33	35
Southern California Edison Co 25	37¼	38	37⅞	38¾	37⅝	39⅜	34⅜	38	35¼	36¼	33½	36	34¼	36⅛	35⅛	37⅛	34½	36½	35⅞	37	36⅛	38	37¾	39
Southern Co (The) 5	15⅞	16⅛	15⅝	16¼	15⅝	16¼	14¼	16	14⅛	15	13¾	14⅞	14¼	15	14⅛	15	13⅝	14½	14¼	15	14¾	16⅛	15⅞	16⅛
Rights	--	--	--	--	--	--	1/64	3/32	1/32	3/64	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Southern Indiana Gas & Elec *	25	25⅞	25¼	27⅛	25⅜	26½	25	26	24½	25½	22⅜	25	23¼	24¾	24¼	25¼	23⅜	24⅝	23½	25¾	24⅞	26½	25⅜	26
Rights	--	--	--	--	¼	11/32	⅛	¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Southern Natural Gas Co 7.50	29¼	31	30⅝	33¾	28	32⅝	25¾	29⅝	24¾	26⅞	23	25⅜	24½	25½	23	25½	23⅛	25⅜	24¾	28⅛	26⅞	28½	27⅛	29⅜
Rights	--	--	--	--	--	--	--	--	1/32	11/32	1/128	3/32	--	--	--	--	--	--	--	--	--	--	--	--
Southern Pacific Co (Delaware) *	43⅝	46⅛	42½	46	45	49¾	42¾	46½	44½	47¾	42⅜	45¾	42⅞	45¼	38	45½	36⅛	40	36¾	39⅝	37	40	35⅞	39
Southern Railway Co *	76⅜	84¼	77⅜	84⅞	82	92	81½	89	87¾	99½	86½	94¼	--	--	--	--	--	--	--	--	--	--	--	--
New	--	--	--	--	--	--	--	--	46⅜	49⅞	43¼	47¼	44⅛	48½	39¼	46⅞	38	42¾	39¼	42⅝	39⅝	42¾	39½	42⅝
5% non-cum preferred 100	76⅛	79	76½	79¾	77½	80¼	75½	77½	77	79½	77⅜	79	--	--	--	--	--	--	--	--	--	--	--	--
5% non-cumul preferred new 50	--	--	--	--	--	--	--	--	39½	40	38¾	39⅞	38½	39½	38¼	39¾	36¼	38	36⅝	38	37	39⅜	37	38⅛
Mobile & Ohio certificates 100	76⅛	77¼	75	75	73	76½	73	73½	73	74	73	75	74½	74½	76½	80	77½	80	80	80½	78½	78½	78½	80
Spalding (A G) & Bros Inc 1	12¼	14⅝	14¼	15	14¼	15	13¼	14¼	13¼	15⅛	13⅜	14⅞	13¾	15	14	15	13	13¾	12	13¼	12	13	11½	13
Sparks Withington Co (The) *	5⅞	7⅜	6⅜	7⅛	6¾	7¾	6¼	7⅛	6⅜	6⅞	5¾	6¾	5¾	6¼	5½	6⅛	4⅞	5⅞	5⅛	5½	4⅞	5⅜	4⅜	5
Spear & Co 1	7	7½	6⅞	7⅝	7⅛	7¾	7	7⅝	6¾	7	6	6½	5½	6	5½	6	4⅝	5½	5⅛	6¼	4⅞	5¾	4¼	5½
$5.50 preferred *	--	--	--	--	--	--	105	105	--	--	103⅝	103⅝	--	--	--	--	--	--	103	103	106	106	105⅞	107
Spencer Chemical Co 6	45½	48⅜	44	46⅞	46⅛	53⅛	49¼	52⅜	52	56⅝	50½	54¼	52¾	56¼	51	56¾	49¼	54¼	53⅝	58½	56¾	58½	58	60⅞
4.50% cum 2nd preferred 50	52¾	55½	53½	55¼	55	56½	54⅞	56½	56	59¾	55	57	56	58¼	55½	59	55⅛	58	56	57¾	58¼	59¾	60	62⅜
4.60% preferred 100	100	100	98½	99½	99½	100½	99	100½	98½	98½	99⅛	99½	99¼	99¼	99	100	99	100	100	101	100½	101	100	101½
Spencer Kellogg & Sons Inc 1	18⅝	19⅜	18¼	19¼	17¼	18¾	15⅜	17½	14⅞	15⅝	14⅛	15	14⅛	14⅝	13	14½	12½	13⅝	12½	13¼	12⅝	14½	13¼	15
Sperry Corp (The) 1	40½	43¼	41	46⅞	42⅛	49⅛	41⅛	44⅛	43¼	47	40¾	45½	39⅝	42⅞	38⅝	42¾	35¾	41¾	41½	44⅝	44	47	45⅞	47⅝
Spiegel Inc 2	8⅛	8¾	8	8¾	8½	9⅝	7⅞	8⅞	7¾	8¼	7	7¾	6⅜	7⅛	6	7⅜	5⅛	6⅛	5¾	6⅛	5½	7⅜	5¾	7
$4.50 cum preferred (stamped) *	65¼	66½	65½	66⅝	65¾	67¼	65¼	67	64¾	66	61½	64½	62	63⅛	58⅝	62¾	53	59	56⅛	58	56	59	52½	57⅛
Square D Co 5	29¾	31⅞	26¾	29¾	26⅞	28⅞	25⅜	27½	25¼	27⅜	24⅛	26	24	25⅜	21¾	27	22	24¼	22⅞	25⅛	25	27¾	25¾	28⅞
Standard Brands Inc *	27¼	28¼	27⅜	28⅝	27¾	29⅜	27⅝	28⅝	28	29	26½	28⅝	27½	28⅜	26½	29⅛	25	27	26	27½	26⅝	27½	26⅞	29¼
$3.50 cum preferred *	86½	90	86¼	91	85	86¾	81¼	85⅞	80¾	83½	81	82¾	81¾	83¾	83	84¼	83	85¾	85⅜	89	86¼	89	85¾	88⅛
Standard Coil Products Co Inc 1	16¼	17¼	15¼	16⅜	15¾	17⅛	14¾	16⅜	15⅝	16½	14⅜	15⅝	14	15½	13½	15⅝	12½	14	13⅜	14⅞	13⅜	14⅛	12¼	13⅜
Standrad Gas & Elec Co com *	17⅜	18⅝	17⅞	19⅛	18⅞	20¼	18⅛	19⅛	18⅜	19⅜	16¾	18⅝	18⅛	19⅛	18¼	18⅞	10⅝	18½	11	11⅞	11¾	13	12¼	13⅛
$4 preferred *	106⅞	110½	109	111¼	110½	113⅝	107¾	110⅞	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Standard Oil of California (Del) *	54¼	59¾	54½	57½	54⅝	57¼	50¾	55⅞	51⅝	54⅞	49¾	52⅞	51¼	54	50¾	54½	49¼	52⅛	49⅜	51¼	50⅛	52¾	51⅛	53⅜
Standard Oil Co (Indiana) 25	75½	81½	73¾	77¼	73⅛	76⅝	70¼	74¼	69⅞	71⅞	69⅜	73⅜	71¾	74¾	70⅛	74⅝	65⅝	70⅛	66½	68⅝	67¾	69¾	68⅛	72
Stand Oil Co (New Jersey) 15	74¼	78⅝	73⅛	77¼	72½	75¼	68	73¼	69⅛	72⅞	68¼	72	71¼	74¾	69⅝	75⅛	67	71⅛	68⅛	72½	71	73⅞	71⅛	73
Standard Oil Co (Ohio) 10	36¾	38¾	35¾	38⅜	35⅞	37⅝	34¼	36⅜	34⅜	35¾	32⅜	35	34¼	35⅞	32¾	36⅜	31	33¾	31	34¾	32⅞	34⅜	31⅞	33⅞
3¾% preferred series A 100	99⅛	100½	98	99	97½	99¼	95	97	94	94	94	95½	97¼	98	94	96½	94	94½	96	97	97	97½	98¼	98⅛
Stand Ry Equip Mfg Co 1	12¼	13	12⅜	12⅞	12⅜	13⅜	12½	13⅛	12	13	11½	12⅛	11¼	12¼	11¼	12	10	11¼	10	10⅞	9¾	10⅜	8⅝	10
Stand Steel Spring 1	24¼	24⅞	24⅝	26¼	24⅞	27	24¼	25	23⅞	25¼	21⅝	23¾	21¼	22⅜	20½	23	18¾	20¾	--	--	--	--	--	--
4% convertible preferred 50	58⅞	59¾	59¾	62¾	60¼	65	59	59¼	57¾	60¾	53⅝	56¾	--	--	--	--	--	--	--	--	--	--	--	--
Stanley Warner Corp 5	--	--	--	--	9⅞	11⅛	10	11	10⅜	12¼	10	11¾	11	11⅞	10⅛	11½	8⅞	10¼	9¾	10⅜	10¼	10⅞	10⅛	11⅛
Starrett Co (The L S) *	41	42	40¼	41¾	41¾	45⅜	43	45	42¼	44	42¼	45	43½	44½	44	44¾	41⅛	44½	41⅝	44¼	44½	45	44¼	47⅛
Sterchi Bros Stores Inc 1	15¾	16¼	16	17	16⅛	17½	16¼	17	16¾	17¾	16⅛	16½	15⅝	16¼	15	15¾	13⅞	15⅛	11¾	14⅝	11⅞	12½	10⅝	12⅛
Sterling Drug Inc 5	33⅜	34⅞	33⅛	34⅝	33	34⅜	32¼	34	33⅜	35¼	32⅝	34¼	33½	34⅜	33¾	35⅞	33⅛	35½	33¼	35⅞	33⅛	35¼	35⅛	38
3½% preferred 100	92	94½	91¼	93⅞	90	91¼	88¾	91¼	88	90	87	89	88	89	89	92	89⅜	91	90	92¾	91	92¾	89	91
Stevens (J P) & Co Inc 15	32⅛	36¼	33	34½	30½	34½	28¼	31¼	27½	29⅝	26¾	30	27¾	30¼	27¾	30¼	25½	28¾	25¼	26⅞	25⅛	27	25⅛	26⅛

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Stewart-Warner Corp 5	22	23⅝	22⅛	23⅞	21⅛	23⅛	20⅜	21⅝	21	22⅞	19⅝	21¾	19½	21	17½	21½	16¾	18¾	17¾	20¼	18¾	20⅜	19⅛	21
Stix Baer & Fuller Co 5	16	17	15¾	17⅜	15⅝	16⅜	15	15⅞	15⅛	15¾	15	15⅝	14⅞	15⅜	15	15⅝	14⅛	15	14	14⅜	13⅝	14⅜	12⅞	13⅞
Stokely-Van Camp Inc 1	14⅜	15¼	14¼	15¼	14	15⅜	14	15⅛	14⅛	14⅝	13⅛	14⅜	13¼	14⅜	13⅜	14¾	10⅝	13½	11½	12⅞	11⅛	12	11⅜	13¼
5% prior preferred 20	16⅝	17	16¾	17	16⅞	17⅛	16⅞	17	16⅞	17	16⅝	17½	16½	17⅛	17	17¼	16⅝	18	18	18¼	18	18⅜	17	18
Stone & Webster Inc *	27⅛	28⅝	26¼	27⅝	26⅛	27½	25⅛	26¾	24⅞	27	23	25	23¼	24⅜	22½	24⅝	20½	23¼	22½	23½	20⅞	23⅜	20⅜	22⅝
Studebaker Corp 1	38⅞	42¼	39¾	43½	36½	41⅜	34¼	38	34⅜	36½	30¼	34⅜	28⅜	31½	26¾	31¾	21⅝	28⅜	21¾	26	21⅞	24⅞	20	23¼
Sunbeam Corp *	31¾	35⅞	30½	32⅝	31⅝	35	27⅜	32	28½	30⅛	26⅞	29⅜	27¼	30	28¼	30⅞	27⅜	29½	29⅛	32	31⅝	35⅝	32½	38
Sun Chemical Corp 1	9⅜	10	9⅝	10⅜	9¾	10½	9½	10⅛	9½	10	9	10	9	9½	8½	9¼	8⅛	8⅞	8⅛	8⅝	8¼	8⅞	8¼	9
$4.50 preferred series A *	--	--	97½	99	95	96¾	97¼	97¼	98	99	98¼	98¼	98	99	99	99	95	95	92	94	94	94	--	--
Sun Oil Co *	80	82½	78¾	81	78	80¼	71¾	78	72	76½	70	76	70½	73	70¼	76	69¾	73	71	78	68½	78	69	71
Class A preferred (4½% cum) 100	114½	117	115	116½	113½	116	113	114	111	114½	110⅛	110½	110	112½	112	113½	111¾	112¾	113½	115	113	115	113½	115
Sunray Oil Corp 1	20	21⅜	19⅛	20¾	19½	21¾	17⅞	20½	18	19	16¾	18⅜	17½	18⅝	16½	18¾	15	16¾	15½	16⅝	15⅞	16⅝	16	17
4¼% preferred series A 25	24	24⅞	24⅜	24⅞	24¼	24¾	24¼	24¼	24¼	24⅜	24⅛	24⅜	24	24⅛	24	24⅛	23⅜	24	23⅝	23¾	23¾	24	23¾	24
5½% conv 2nd pfd series 1950 20	22¼	23¼	21¼	22½	21⅝	23⅞	20½	22¼	20⅛	21½	20⅝	21½	20¼	21½	20⅛	20¾	19⅞	20⅝	20½	22	21¼	21⅞	21¼	22
5½% 2nd preferred called	--	--	21	22	21⅜	22½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Sunshine Biscuits Inc 12.50	67½	69	66½	70	68¾	70⅞	67¾	71¾	69	70½	68	69¾	69¼	70½	68½	70½	66	68⅜	66½	69⅜	69	73½	71	73¼
Sunshine Mining Co 10c	8⅞	10¼	9¼	10⅛	9¼	9⅞	8¾	9⅜	8¼	9	8	9¼	8	8¾	7⅝	8¼	7	7¾	6⅞	7¼	6¾	7¼	6¾	7½
Superior Oil Co (California) 25	544	560	540	570	560	600	530	580	520	536	535	550	540	569	555	635	560	612	560	575	575	620	575	660
Superior Steel Corp 50	20⅝	22¾	19⅜	21½	19⅜	22	18½	20⅛	19	20⅛	17	19	17	18¾	15½	18⅝	13¼	16	15	17¼	15¾	16⅞	14	17½
Sutherland Paper Co 5	25	26	25¼	26⅞	26¼	27¼	25¼	27	26½	27½	25⅝	27½	26⅛	27⅞	26⅞	28¼	26⅛	27¼	26½	30	29¾	32	29⅜	31⅝
4.40% preferred 100	105¾	107	106¾	108½	107	110¾	108	110¼	106	107½	100	106	103	106½	104½	106½	104	106	106	110	110	113	108½	112½
Sweets Co of America 4.16⅔	12¾	14	13	13⅞	13¼	14	13½	15¼	14⅞	17⅜	13¾	17⅜	15⅝	16½	15½	16¼	14¼	15½	14⅝	15⅞	15⅞	17¾	16½	18⅜
Swift & Co 25	35⅜	39	38⅜	39½	38¼	39¾	36¼	39	37	38½	36⅛	37½	37	38⅞	37¾	39¾	37⅛	39	37⅜	39¼	38¾	41⅞	40¾	44⅜
Swift International Ltd	--	--	12⅝	12⅝	15	15	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Sylvania Electric Products Inc 7.50	37	40	36	37¼	34⅜	36⅝	33⅝	36	33⅞	36¾	31	34½	32	33⅝	30⅝	34½	29¼	32½	30¼	35¾	30⅝	36¼	31⅛	33
$4 cum preferred *	82	85½	83	85⅛	83½	84¼	82½	85½	83½	86	79½	85	78½	80	80	82¾	78	84	78	84½	83	84½	80½	83½
$4.40 cum preferred (conv) *	106½	111½	105	107¼	103⅞	107	104	106½	104	107½	97¾	103¾	99¾	101½	100	101⅜	98	99¾	99	102¾	102¾	104⅞	103	105½
Symington Gould Corp 1	6⅛	7⅛	6½	7¼	6⅜	7¼	6¼	6⅝	6⅛	6¾	5¾	6⅛	5⅝	6	4⅞	5⅞	4⅜	5¼	4⅝	5¼	4½	4⅞	4½	4¾
T																								
Talcott Inc (James) 9	14	15	14½	15	14⅝	15⅛	14⅛	14⅞	14¼	14½	14⅛	14⅝	14	14¼	14⅜	14¾	14⅛	14¼	14⅛	14½	14½	17¾	14¾	17¼
Telautograph Corp 5	8½	9⅞	9	12⅛	10⅛	11½	10⅝	11⅝	10	10⅞	10	10¾	10¼	13¾	13¼	16¼	14½	16	14½	15⅞	14¼	15	14⅛	14⅞
Tennessee Corp 5	44	45½	43¾	46⅜	43	47½	41	44¼	42¼	45	39	42½	40¼	42	37½	41¼	33	38¾	36⅝	40	39	42⅞	40	42⅜
Texas Co 25	52⅞	58	54½	56¾	54⅝	57⅞	52¼	56⅝	52	55¼	50⅝	54¼	52⅞	56¾	51⅛	57⅞	49⅝	52⅝	50⅞	55¾	54⅛	55⅝	54⅝	58⅛
Texas Gulf Producing Co 10	34	39⅞	34¾	46⅜	42¼	54½	47½	54⅞	49¾	54¼	46⅛	51½	44¾	49	41½	48¼	35⅜	43¼	35¼	42⅞	36⅞	42⅝	38	42¼
Texas Gulf Sulphur Co *	100¾	110⅞	94¼	103	96	101¾	90¼	99¼	91¼	95¾	89	91⅛	89½	92¾	88⅝	94¾	84¼	91	84⅜	89¼	85	90¼	78¼	85½
Texas Instruments Inc 1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	5⅛	5⅜	5¼	5¾	5¼	5⅝
Texas Pacific Coal & Oil Co 10	38⅝	42⅜	36⅞	42⅞	38⅛	42⅜	36½	41⅜	37⅛	39⅝	38	41⅜	37	39⅞	34⅞	41⅝	30½	36⅛	31¾	35⅜	32½	38	33⅞	37½
Texas Pacific Land Trust— Sub-share ctfs 1	150	165	146	159½	141	157¼	115	143	125	136	116	117	118	131	116	135½	107	122	101	117	113	120½	106	119½
Texas & Pacific Ry Co 100	128	134½	122¼	130	129	138	116	130	125	131	118½	127	122½	127	113¾	125½	103	118	108	112	108	115	107	121
Texas Utilities Co *	42¾	45½	43¼	46¾	45⅝	47⅝	43⅝	46⅞	40¼	44⅝	37¼	41¼	39¾	45	42	45⅛	40½	43¼	42⅞	45	44¼	46⅝	45⅜	48⅝
Textron Inc 50c	11	11¾	10⅝	11⅜	11	12⅜	10½	11½	10⅜	11	9⅝	10½	9¾	10⅝	9⅛	10¼	7¼	9¼	7⅞	8	6⅝	8	6¼	7⅛
$1.25 convertible preferred *	16½	17½	16½	17	16½	17⅜	15⅞	16¾	16	16½	15⅛	16¼	15⅝	16	14⅞	15¾	14	15⅜	14¼	14¾	13¾	14⅜	13	14
Thatcher Glass Mfg Co Inc 5	12⅝	13⅜	12⅞	13¾	13½	14½	13½	14⅜	13⅝	14⅜	12½	13½	12⅝	13¼	11½	13½	11½	12⅜	11⅝	13¼	13	13⅜	13	13¾
$2.40 cum convertible preferred *	37	38	38	38¾	40¼	42	38¼	41¼	36½	40	36	37½	36¼	37¾	37	39	36	37⅜	36⅛	37¼	35¾	36⅝	36⅝	38⅞
The Fair Co *	12	12½	11¼	11½	10⅝	11½	9¾	10⅞	10⅛	10⅜	9⅝	9¾	9⅝	10	9⅞	10⅝	9	9½	8⅞	8⅞	8⅝	8⅞	7⅞	8¾
Thermoid Co 1	8⅛	9⅛	8⅜	9⅛	8⅜	8⅞	7⅜	8⅜	7⅝	8⅛	7¼	7⅞	7¼	8¼	7½	8¼	7	7½	7	7½	7¼	7⅞	6¾	7½
Conv preferred $2.50 cum 50	41½	43	40¾	44	41½	43½	40¾	43¼	40¾	41⅝	40	41	40¼	42	40	41	40	41	40	40⅛	40	41	40¼	42
Third Avenue Transit Corp *	1¾	2⅝	2	2⅛	1⅞	2⅞	2⅛	2⅝	2⅛	2⅞	2⅝	3	2½	3	2½	3⅛	1¾	2¼	1¾	2	1⅞	2¼	1¾	2⅛
Thompson (J R) Co 15	12½	12¾	12¾	13	13	14⅛	12¼	13½	11½	11½	9½	11	10	10⅞	10	10¼	9½	10	9¼	9½	9⅝	10	9½	9¾
Thompson Products Inc 5	53¾	56½	54	58¾	57	61¾	51¾	57⅝	52	55⅜	50	53¼	46¾	51	41½	54⅞	41¼	43¾	42½	48½	47	49¼	48	51
4% preferred 100	95	97½	91⅞	94⅜	91⅞	95	90	93½	89	91	88¾	92	91	93	91	92¼	90	91¾	90½	94	92	96	91	92½
Thompson-Starrett Co Inc *	2¾	3⅛	2¾	3⅛	2¾	3⅛	2¾	3⅛	2¾	3	2¼	2¾	2⅛	2⅜	2⅛	2⅞	1¾	2⅜	1⅜	2	1½	1⅞	1½	1⅞
$3.50 preferred *	27⅛	29	26¾	28¼	26¾	29½	27	29½	26½	27½	24¾	27	23¼	25	22½	26¼	19	23	18⅞	20⅝	16	19	17	19½
Tide Water Associated Oil Co 10	22	23⅞	22½	23⅝	23	27¼	21¾	26⅛	22¼	25¼	20⅝	23¼	20⅝	23⅝	20¾	23⅝	19¾	21⅝	19⅜	21½	20⅛	21½	19⅞	21¾
Timken-Detroit Axle Co 5	22⅜	24½	22⅞	24⅞	22	25¼	22	23½	22¾	25	21½	23¾	20¼	22¼	21⅛	22¾	18½	21⅝	--	--	--	--	--	--
Timken Roller Bearing Co *	44¼	46¾	43	46¾	44⅛	46¾	41⅜	45	42¾	45⅞	40	43	40¼	42	38	42	35½	38¼	35¾	38	35½	39⅛	35	36½
Toledo Edison Co (The) 5	12⅛	12⅝	12½	12¾	12⅝	13⅛	12¼	13	12⅛	12⅝	11¾	12¼	11⅞	12¼	11⅞	12⅛	11⅞	12⅛	11⅞	12⅛	12	12¼	12⅛	12¾
Transamerica Corp 2	25¾	27⅝	26⅛	26⅞	26½	29⅜	25¾	28⅞	26¼	29	26⅛	28¼	26	27⅜	26⅛	27½	23⅛	26¼	24⅝	26½	25⅝	27½	27¼	28½
Transue & Williams Steel Forging *	17⅝	19¼	18⅛	20⅛	17⅞	19⅞	17⅜	18¾	17⅛	18¾	14¾	17½	15½	16⅝	13¼	16⅞	12¾	15¼	13¼	14¼	13¼	14¼	12¾	15
Trans World Airlines Inc 5	23	24¼	23¾	25	23⅜	24⅝	21	23	22¼	23	21⅝	22¼	21¼	21⅞	20½	21¼	18	20⅝	17½	18¾	17¼	17¼	17	17¾
Tri-Continental Corp 1	16⅞	17⅞	16⅛	17¾	15⅞	17¼	15	16⅜	15⅜	16⅛	14¼	15¾	15	16	14¼	16⅛	13⅜	14⅝	13¾	15½	15¼	16⅛	15	16¾
$6 preferred *	110⅛	111⅜	110½	112¼	110¼	111½	109⅝	111⅜	109	110½	106½	109¾	108½	112	110¼	112½	108½	112¼	109¼	110¾	110	112⅜	110½	112⅜
Truax-Traer Coal Co 1	16½	20⅝	18⅜	20⅜	17⅝	20	17½	18½	17¾	19¾	17⅛	18½	17½	18¼	16½	18¼	15⅛	16⅞	15¾	17⅛	16	17	15	16½
Preferred series A (convertible) 50	44	46½	44½	47¼	46½	47¼	44½	46½	45½	45½	42½	44¾	42⅝	43	43¼	44⅞	43	43¼	43	43¼	43	43	42½	43½
Tung-Sol Electric Co common 1	21	24⅞	22	24⅝	20¼	24⅜	20	22	19	20⅞	17	19¼	17⅛	19⅛	17⅛	19⅜	16½	18⅛	17	18⅜	17	18⅞	15⅞	17⅞
Convertible 5% series of 1952 50	59	69¼	62½	69	62	68	56½	61	56	58½	52¼	54⅜	50	54	50½	54½	49	51	49¾	52	50⅛	52	49	51
Twentieth Cent Fox Film Corp 1	13½	15⅜	15	17	15⅜	19¼	15½	18	15⅝	16⅝	14⅞	16⅞	16¼	17⅞	16¾	18⅛	14⅝	18	14⅛	17½	16½	20	19	21⅛
Twin City Rapid Transit Co *	11½	12½	12¼	13⅝	13	13⅜	13	14⅜	13	14	13⅛	15	12¾	13⅝	12⅛	13⅞	11¾	13⅛	11⅞	13	12¾	14⅜	13¾	14½
5% conv prior preferred 50	36¾	38	37½	41¼	38	41⅛	38½	42⅜	40	42½	39⅜	45	38¾	40½	39	42	35½	39	36	38⅞	38⅝	43	41	43¼
Twin Coach Co 1	7⅞	9	8¼	8¾	8⅜	9⅝	7⅝	8¾	7¾	8⅛	7	8	7	7½	6¼	7¼	5⅞	6⅝	6¼	6⅞	6⅛	6⅝	5½	6⅞
U																								
Udylite Corp (The) 1	12¾	13½	13⅜	14⅛	13⅛	14⅛	12½	13½	12⅞	13½	12½	13	11¾	12¾	11¾	12¾	10⅞	12	11	12¼	11⅜	13	12¼	12⅞
Underwood Corp *	52	55¼	52¾	55¼	47¼	53¼	45⅞	48½	46	48⅝	43¼	46	40	46¾	39⅞	43¼	34½	40	33⅛	35⅞	27½	33½	26	30⅝
Union Asbestos & Rubber Co 5	12⅝	13¼	12½	13⅛	12½	13¼	12½	12¾	12	12⅞	9	12⅜	9¼	11	9¼	9⅞	8½	9¾	8⅜	8¾	7¼	8⅝	7	7⅝
Union Bag & Paper Corp 20	46½	49⅛	47⅝	49¼	47	49½	44⅜	47½	45⅜	47¾	42	47¼	42¾	44¾	42⅛	44⅝	38¼	42½	41½	44¼	43	46	43	46
Union Carbide & Carbon Corp *	70⅛	72½	67¾	72⅞	68⅛	70⅛	64⅜	68⅛	65½	67⅞	61½	66	62⅝	65⅝	63	66¼	62⅞	65⅞	65	69⅝	69	71½	71⅛	75¼
Union Electric Co of Mo— Common 10	22	23⅜	22⅝	23½	23	24½	22¼	23⅜	22¼	23	19⅞	22⅜	21½	22½	21⅝	22¾	21⅛	21¾	21¼	22⅞	22⅜	23½	22¼	23⅝
"When distributed"	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	22⅛	22½
$4.50 series preferred *	106	110	106	108½	104	107	101½	106½	100	103½	98	100½	100	103	100½	103¼	100½	103	102⅝	106	104¾	106¼	103	105
$3.70 series preferred *	94¼	97	--	--	94	94	--	--	83	87	82⅛	82⅛	83	84½	--	--	--	--	86	88	--	--	89	89
$3.50 series preferred *	86½	87¾	84	86	85	87½	85	87½	80½	84	78½	80½	79⅝	82½	79½	81	81	82½	81¾	84	84	86	82½	84¾
Preferred $4 series *	98¼	100	97	98¼	96½	98½	94	98½	93	95	90	93	92	95	95	95	--	--	95½	99	98½	100½	96	98½
Union Oil Co of California 25	37¾	40¾	38⅜	40⅜	39⅛	43⅛	38⅛	41¾	38⅝	40⅝	37⅛	39½	38¾	42¼	39⅜	44¾	39⅜	42½	39	43½	38⅛	43½	38½	40⅛
Union Pacific RR Co 50	112	115¾	109	114¾	111¼	115¼	106	112¼	107¼	111	101¼	108	106	110	104	108	100	104¼	100¾	106	105½	112	105⅜	112¼
4% non-cum preferred 50	48½	50¼	48¼	49½	47	49	46⅜	47¾	45⅛	47	44¼	45⅞	45⅛	46¾	46¾	47⅞	44½	47½	46¼	47¾	47	48¼	47⅜	48¾
Union Tank Car Co *	40¼	41½	40⅝	41⅞	41	46¼	44¼	45¾	42¾	44¼	40½	43⅜	40½	41¾	41⅜	42½	39	41⅜	40	43½	40	42	40½	45¼
United Aircraft Corp 5	36	38¼	36	38⅛	35⅛	40¼	31⅞	35⅝	35⅛	39⅜	35⅛	38¾	35⅞	38½	37¼	39⅜	36⅝	41⅜	39	42⅞	41½	44⅛	42¼	50⅜
5% convertible preferred 100	104½	106½	104	106	102½	104	103	104	102¼	104½	102⅛	103	102⅜	104	102½	104	102½	103½	102¾	105½	102¾	104¼	103½	106
United Airlines Inc 10	29¼	31¼	28⅞	31⅜	28⅞	32¼	27¼	30¼	27	29¼	24¼	27⅜	24⅝	26⅝	22⅝	27½	21⅞	24⅛	22⅛	24⅛	21⅝	24	21¼	23⅝
Preferred 4½% series of 1952 100	101½	104½	100	104½	101	104½	95	102½	97	99½	93¾	96¾	94	96½	91	97½	88	91½	90	93¼	89⅝	92½	87	91
United Biscuit Co of America *	35¼	37	34⅜	37⅝	35⅜	37½	34½	36¾	35	36½	34½	35⅞	34⅝	35¼	35⅜	36¾	33⅜	35⅜	34⅛	36½	35¾	36¾	36½	39¾
$4.50 preferred *	107	107	--	--	104½	107	--	--	102	102½	102	102	100	102	--	--	--	--	104	104	--	--	--	--
United Board & Carton Corp 10	13¾	14⅞	14	14⅝	14⅜	16¾	14¾	15¼	14¾	15	13½	14⅝	13½	14¼	13¾	14¼	13⅝	14	13¾	14½	14⅛	15¼	14½	15¼
United Carbon Co *	56¾	61½	56¼	58	56	59¾	53¼	56¾	50¾	55	49	52½	49½	51¾	49¾	54½	48¾	52¼	50	57⅜	54⅛	57	55¼	57¾
United-Carr Fastener Corp *	28½	30	30	31½	30⅛	31½	29⅝	31	28⅜	31⅛	27¼	28⅜	26½	28	27⅜	29¼	25½	28¾	26¾	29	26¾	29¼	26½	27¼
United Cigar-Whelan Stores Corp 30c	3¾	4⅛	3⅞	4¼	3⅞	4⅛	3⅜	4	3⅝	4¼	3⅞	4⅛	3¾	4	3¾	4	3⅝	4¼	3⅞	4⅛	4	4⅛	4	4⅛
$3.50 convertible preferred 100	67	75¼	74¼	86	75	82	74¾	77	74¾	77½	74	75¼	74	75	74	75½	74	83	80	82½	79½	81	79½	82
United Corporation (The) 1	5⅛	5⅜	5⅛	5⅜	5⅛	5⅜	5	5⅜	5	5¼	4¾	5⅛	4¾	5	4⅞	5⅛	4⅞	5⅛	5	5⅛	4⅞	5⅛	4⅞	5
United Dye & Chemical Corp 1	6¼	7⅛	5¾	6⅜	6	9¼	6¾	7¾	6¾	7½	7	8¼	8¼	9	8¼	9¼	7⅜	10	8⅜	9¾	8¼	9¾	8¾	10
7% preferred 100	49	54	49½	53	52	72½	58⅛	63½	56	63½	49	56½	51	57¾	53	62	51½	63½	56½	63	59	72⅞	66	71
United Electric Coal Cos 5	16⅝	17⅞	16¼	17⅜	15	16½	13¾	15¼	14⅛	14¾	13⅜	14⅜	13⅜	14½	12¼	14⅜	10¾	12¼	11⅞	13¼	13⅛	14⅞	13⅜	13⅞
United Engineering & Foundry Co 5	14¾	16	15	16½	14⅞	15½	14⅛	15¼	14	14⅜	13⅛	14⅛	12⅝	13¼	12⅛	13¼	12⅛	12⅝	12⅛	12½	12	12⅝	11½	12¾
United Fruit Co *	56	58⅛	52¼	56⅝	52⅜	57¼	51½	54⅞	52	55¼	51	53¾	52¼	53⅞	52⅛	54⅝	44	52¾	45	50	45	48⅞	44⅛	46⅞
United Gas Corp 10	27⅛	28½	27½	29	28⅛	30	26⅝	29⅛	25¾	27¼	24	25⅞	23½	26	25¼	27½	24½	26⅞	25⅝	27⅛	26¾	28¾	27⅞	29½
Rights	--	--	--	--	--	--	--	--	--	--	--	--	7/32	½	7/16	11/32	--	--	--	--	--	--	--	--
"When distributed"	--	--	--	--	--	--	--	--	--	--	--	--	--	--	25⅝	26	25	26¾	26⅝	26⅞	--	--	--	--
United Gas Improvement Co 13½	31½	35⅜	35⅛	37⅞	32¾	37⅞	34½	36¼	32⅝	35¾	30¼	33	32⅛	33¼	32⅛	33½	31¼	34	33½	35⅛	34⅛	35	33¼	34¼
United Merch & Mfrs Inc 1	12⅝	13¾	12⅝	13⅝	12¾	13⅞	11¾	13	12¼	13	11¾	12⅞	12	12¾	12¼	13⅛	11¼	12¼	11½	12⅜	11¾	12¼	11⅛	12
United Paramount Theatres 1	13⅜	14⅜	13⅞	15¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Ctfs of Int 1	13¾	14	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
United Park City Mines 1	--	--	--	--	--	--	--	--	1⅞	2¼	1⅝	2	1⅝	1⅞	1½	1¾	1⅛	1⅝	1⅛	1⅜	1⅛	1¼	1	1¼
U S & Foreign Securities Corp *	60½	65	57⅝	62½	57¼	61⅞	51¾	58	53⅞	57	50¼	54	51	55¼	48	55⅞	46	50¼	47½	53⅞	53	56½	46	58⅜
$4.50 1st preferred *	97½	100	99	100	100	101	101	101	98½	100	96¾	98⅞	96⅜	98	97	99	95½	98	96½	98	96	100	99	101½
U S Freight Co *	29½	31¼	28½	30	26	28⅞	26¼	29⅝	26¾	29¾	24½	26⅞	25	26	23¼	26	22	23½	23	24	24	25¼	22	24½
U S Gypsum Co 20	113	120	113	116¼	110¼	116½	109¼	115	109½	113¼	105½	112	106¼	109½	106½	110	104	107¾	103¾	110¼	108½	113¼	109½	118
7% preferred 100	172	174	171	174	171	175	164½	172	162	162½	159	162⅝	162½	169	165	169	164½	169	169¼	171½	171	175	170	175
U S Hoffman Machinery Corp 5	26¼	35¼	27	34	24⅞	28¾	24⅜	27½	24⅝	25¾	23	24½	22	23¼	19⅜	22	19	19½	17	19¼	15½	18	16⅜	19⅝
4¼% cum preferred 100	63	67½	66¾	68	65	66¾	65⅞	67	64	66	62	64	62	63	60	62¼	58	60	57½	61	56⅝	59	56⅜	60
U S Leather Co *	10⅝	12⅞	11½	12⅞	11⅛	12⅞	11⅞	13⅞	13	14⅛	12¾	14½	14⅛	16⅜	14	16	14⅝	16⅝	--	--	--	--	--	--
U S Lines Co 1	20	22½	20⅝	22¼	20⅞	22¼	20¼	21⅞	20⅜	22⅛	19½	21⅜	20	20½	18¾	20¾	17⅛	19	14	18¾	13⅛	14¾	13¾	16
4½% preferred 10	7⅜	8	7⅞	7⅞	8	8	7⅝	8	7¾	7¾	7½	7¾	7¾	8	8	8	7⅝	7⅞	7⅜	7¾	7½	7⅞	7⅜	7¾
U S Pipe & Foundry 20	38¼	39¾	38½	39⅞	37¾	40½	37	38⅜	37⅜	38½	35½	38	35⅞	39⅛	36¼	38¾	34	36½	35	37¼	36⅜	38	35	37⅞
U S Playing Card Co 10	59	61¼	60½	63	61	64	58⅞	62	59¾	61	61	63	59¾	61	60	63½	60	62	60	61½	59½	60⅝	57½	59¼
U S Plywood Corp 1	28½	31⅞	28⅝	32⅛	29¼	32⅛	28½	31	26½	29	25	28	22⅝	25½	23⅛	26⅛	23	24½	22	24½	23⅛	26¾	24⅝	26⅞
3¾% cum preferred series A 100	83	85¾	84	84	84	84	81½	82	77	79	76	80	77¾	78	75¾	77	73½	74	70	74	70	72	70½	74
3¾% preferred series B 100	91½	94½	91	94¾	94	96	95½	97¾	87½	93¾	85½	89½	84¾	86½	83¼	86	79½	83¾	77¾	81	74¾	80	77	84

For footnotes see page 15.

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STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
U S Rubber Co ____5	29⅜	31¼	28⅛	30⅜	28	31¼	27½	29½	26¼	29⅜	24⅝	27⅜	25⅛	27¼	23½	27⅞	23½	25⅞	25⅛	28¼	26⅝	28¾	27½	30⅛
8% non-cum 1st preferred ____100	139½	142	139¼	143	139¼	144¾	132¾	141	132¾	139	128½	134	130⅛	133½	130¼	135½	127¾	132¾	133	140	135¼	140½	134¾	136¾
U S Smelting Refin & Mining Co ____50	60¼	67½	57¾	62¼	54⅛	61¼	52¼	61¾	52¼	57	46½	53¾	44¾	50	41½	50	37⅜	43¾	37	41¾	37½	41¼	37⅛	42½
7% cum preferred ____50	62¼	65	65	66¾	62¾	66½	61	63	59½	62	58½	62	57	59	56¼	58¾	55½	57¼	55¾	58	55¼	56¼	54	57
U S Steel Corp ____*	42¼	44⅛	39¾	43¼	39⅜	42¾	38⅛	40¼	38¼	40⅝	37¼	39⅛	37¾	39½	35⅝	39⅞	33½	36¼	34⅝	38½	36¾	38½	38¼	41
7% preferred ____100	141	144¼	141¾	143½	140½	143⅞	137¾	141½	136	138¼	135⅛	136⅞	136¼	138½	135	138¼	135	136¾	136	142¼	139	142¾	139½	143½
U S Tobacco Co ____*	19⅝	20½	20⅛	21⅜	19⅞	21¼	19⅝	20⅜	18⅞	20¼	18½	19⅜	18½	19½	18¼	19½	17¾	19	18⅝	19⅛	18	18⅞	17⅛	18⅛
7% non-cum preferred ____25	38	39¼	37½	39¼	37⅜	38	38	39¼	36½	38¾	35½	37¼	35½	37½	35½	36	36	38½	37¾	39½	37½	39¾	35¼	37
United Stockyards Corp ____1	6⅜	6¾	6⅝	7¼	7	7⅜	6½	7⅛	6¾	8⅛	7	7⅞	6⅞	7⅜	7	7½	6⅝	7	6¾	7⅛	6⅞	7	6⅞	7⅛
United Stores Corp—																								
$4.20 non-cum 2nd preferred ____5	9	9⅜	9	9⅜	9⅛	9½	8⅞	9½	8⅞	9¼	8⅜	9¼	8¼	8¾	7½	8¾	7⅜	7¾	7½	8	7⅜	7⅞	6⅝	7⅞
$6 convertible preferred ____*	87	87	--	--	84	90	86¾	86¾	83⅝	83⅝	83	83	80½	82	79	80¾	75½	79	79	82	77½	81	72½	77½
United Wallpaper Inc ____2	3⅛	3⅝	3	3⅜	3⅛	4	2¾	3⅜	2⅞	3⅛	2	3	2¼	2½	1⅞	2½	1½	2	1⅝	1⅞	1½	1⅞	1¼	1¾
4% cum convertible preferred ____50	25⅜	25¾	25	26	26⅛	29½	27	27½	25¼	26½	20¾	25⅛	20¾	21⅜	19¾	21¼	16¼	18⅞	17¼	19½	17½	18½	15	17¼
Universal American Corp ____1	1¾	2⅛	1¾	2⅜	2⅛	2⅝	2	2⅝	2½	3⅛	2⅜	3	2¼	2¾	2	2½	1⅝	2	1¾	2⅛	1½	1¾	1½	2
Universal-Cyclops Steel Corp ____1	22⅜	24¼	23¾	24¾	23¾	24¾	23	24	23	26⅛	25⅛	26⅜	25¼	26½	26¾	29½	25¾	28¼	27	29⅞	29⅛	32	29¼	32⅞
Universal Leaf Tobacco Co Inc ____*	25	26	24½	26	25¾	26½	25	26⅛	24⅞	26⅜	25	26	24¾	25⅞	25¼	26	25¼	27	25¾	26¾	25	26	23¾	25⅞
8% preferred ____100	161	164	165	167	163	165	156⅛	164	156	161½	158	161½	156¾	160	156	158	155	158	157	159	160	162½	161	166
Universal Pictures Co Inc ____1	14⅛	15⅜	14	15¼	14¼	16⅜	14⅞	16½	16	17¼	14⅝	16⅜	16¼	17⅛	15⅛	17⅛	14½	17	15½	16¼	15⅝	16⅞	16	19⅝
4¼% cum preferred ____100	61	64¼	62½	64½	63½	65	63¼	64	64¼	68½	62⅞	65	63	64½	62	63¾	61½	62½	62	64	61⅛	62½	61⅛	64¼
Utah Power & Light Co ____*	33	33⅞	33	33⅜	33	34⅝	31⅛	34	31	31¾	28¼	31½	30⅛	32¼	31	32	30½	32	30⅜	32⅞	32⅝	34½	34⅜	35¾

V

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Vanadium Corp of America ____*	40¼	43⅝	38½	42¼	40⅛	45¼	39⅛	42	40⅛	42⅝	34¾	40⅝	36½	39½	33¼	39⅝	30¼	34½	32⅛	35	34⅜	39	36	39⅛
Van Norman Co ____2.50	14⅛	15⅜	14½	16¼	15½	17⅜	14⅝	16	15	16	14⅜	15⅞	14	15	13⅝	15½	12½	14¼	13⅜	14	13¼	13⅞	11⅛	13⅜
Van Raalte Co Inc ____10	28	30¾	30	31½	30	32¾	30⅛	31⅞	30½	32	29	30¾	29¾	31⅜	29	31⅜	27½	29	27⅜	28¼	27¼	38⅜	37⅛	38⅞
Vertientes-Camaguey Sugar Co ____6½	9½	10⅞	9⅜	10⅛	9⅝	10	9¼	10⅛	9½	9⅞	8⅛	9½	7	8½	7⅝	8⅛	6⅝	7⅝	6½	6⅞	5⅝	7	5⅛	5⅞
Vick Chemical Co ____2.50	24	25	23⅞	25	23⅝	24⅞	23½	24½	24⅛	25	24⅛	25¼	24⅝	25⅜	25⅜	26¼	25⅝	27	27	29	28⅛	31	29⅝	31⅛
Vicks Shreveport & Pacific Ry Co ____100	126½	127	125¼	126½	126	128	126	127	125	126	125¼	125½	125½	125½	--	--	126	126	127	127	--	--	--	--
5% non-cum preferred ____100	--	--	--	--	--	--	126	127	126	126½	125½	125½	125½	125½	--	--	126	126	126	126	--	--	126	126
Victor Chemical Works ____5	25⅝	27⅝	26	27⅝	26¼	27½	24⅛	26¾	24½	27	25	27	26	27⅛	26¼	27¾	25⅞	26¾	26	28⅜	27⅜	29	26⅝	29
3½% cum preferred ____100	90¾	91½	90¾	90¾	92	92	90¾	91¾	90	90¾	--	--	88	90	--	--	--	--	90½	92	91	92	--	--
Virginia-Carolina Chemical Corp ____*	23	25⅛	21¼	[illegible]	20⅛	23⅛	18¾	20¾	19⅛	20⅜	17½	19¼	17⅜	20	18¼	[illegible]	16¾	18⅝	16⅛	18⅛	17⅛	18¾	18¾	21¼
6% dividend partic preferred ____100	126	130¼	123	128	123	126	120	123	119½	122	114½	120	115½	120	120	122	112	118¾	113	116½	114½	117¾	118½	123¾
Virginia Electric & Power Co ____10	25¾	27⅜	26¼	27¼	25⅞	26⅞	23¾	26	24¼	25⅞	22⅞	25⅜	23⅜	25⅞	25¼	26⅛	23⅜	25½	24¾	26¼	25⅞	27¾	26⅞	27¼
$5 dividend preferred ____100	113½	114½	112½	114	111¾	113½	108¾	113¼	107½	110¼	106	107¾	108½	111½	110⅝	112¾	109½	111	111⅞	114	111½	114¾	112	114
$4.04 dividend preferred ____100	100	100	99	100	97	98	94	96	--	--	--	--	92	92	93	93	93	93	95	95	--	--	--	--
$4.20 dividend preferred ____100	100	100	99½	100	97½	99½	94	97¾	92⅞	94	92	94	95	95	96½	97½	93	95	97	100½	--	--	100¾	100¾
Virginian Ry Co ____25	34⅛	35	34	35¾	33	34⅛	30	33¼	30¼	32¾	29¾	31⅝	29¾	31¾	29¼	30⅝	25¾	29¾	27¼	28¾	27	28¼	25¼	27¼
6% preferred ____25	29¼	29¾	29⅛	30	29¼	30	27	29½	27⅛	28	26⅜	28⅛	26½	28½	26¾	27¾	25½	27⅛	25¼	27	25⅝	26¾	25⅛	26¼
Visking Corp (The) ____5	38	39½	38½	39¾	36½	38½	36½	37¾	36½	38½	37¾	42¼	42	44½	44½	48½	43¾	46¼	43½	53½	51	54	53	64
Vulcan Detinning Co (The) ____10	16⅞	17½	17	17½	17	18	16¾	17⅜	16¾	17½	16¾	17¼	16⅜	17	16½	17	14½	16	14½	15⅜	14⅝	16	14¼	15⅝
7% preferred ____20	28⅞	30	29½	29½	29	29⅝	28	29½	28	28	27	28	27	27	28½	28½	27	27	27	27	29	29⅛	--	--

W

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Wabash RR Co 4½% preferred ____100	67½	69	67½	70	64½	70¼	61¼	65⅛	62¼	64¼	60	64	61½	64⅝	63	63½	59	62	60¼	62	60	62½	62	64
Waldorf System Inc ____*	12¼	13	12¾	13½	13⅛	13⅞	12⅞	13⅜	13⅜	13⅞	13	13⅝	13⅛	13½	12¾	13¼	12¼	13	12¼	12⅝	12⅛	12½	11¾	12½
Walgreen Co ____10	27½	29¼	27¼	28¼	27⅜	27⅞	27	27¾	25½	27½	25	25⅞	25¼	26	24½	26⅜	23½	25	22½	23⅜	21¾	23¼	23	24¾
Walker (Hiram) G & W Ltd ____*	44½	47½	45¾	47¾	46⅜	47½	44½	47	45¼	46⅛	43¼	46⅞	46½	50	48¼	50¾	47¾	49¼	48	49¼	49	50	49⅞	52
Walworth Co ____2.50	8¼	8½	8	9	8¼	9	7½	8¼	7½	8⅛	6¾	7¾	6⅝	7	6	6⅞	5½	6⅜	5½	6⅛	5⅝	6	5	6⅛
Ward Baking Co ____1	18⅞	21	19¾	21¼	20¾	24¼	22⅝	23¾	23¼	25	22	24¾	22¾	23⅞	23¼	24⅛	22½	24½	23	23⅞	23	23⅝	22⅝	24¾
5½% preferred ____100	102½	104½	101¾	105	100	103	102¼	103	102	103	99	101½	100	101	100¼	101¼	98	101	99¾	101	100½	102¼	101½	102½
Warner Bros Pictures Inc ____5	12½	13⅞	12⅞	14¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New ____5	--	--	--	--	15	16⅜	15¼	17⅛	14⅞	16	13½	15⅛	14⅛	15	12¾	14⅝	11⅛	13¼	11⅛	12¼	11¼	13⅜	12¼	13⅞
Warner-Hudnut Inc ____1	15½	16½	15¾	16⅝	15¼	16⅜	14⅝	15½	14⅝	16⅛	14½	16⅛	15⅝	17¼	15⅜	17⅛	15½	16⅜	16¼	18¼	17¾	18⅞	16⅝	18
Warren Foundy & Pipe Corp ____*	26	27¾	25	26⅜	26¼	33½	27½	31¾	28	33¼	28	30	28½	30	27¼	29¾	23½	27½	24½	28⅞	25⅜	28⅝	26	27¼
Warren Petroleum Corp ____3	33½	36½	32⅞	37⅜	34¼	37⅝	33¾	36¾	34⅝	37¾	32⅜	35⅞	32¾	34⅞	31	34⅞	28⅝	32	30½	33⅞	31¼	33	29⅞	34
Washington Gas Light Co ____*	30⅛	31	30¼	30⅞	30⅜	30¾	29½	30⅝	29⅛	30⅛	29	29⅞	29¼	30⅞	30	31	30	30⅞	30¼	30¾	30⅝	30⅞	30¼	31¼
Rights ____	--	--	--	--	--	--	3/32	3/32	1/16	3/32	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Washington Water Power ____*	27	27¾	27⅜	28	27½	30	26⅛	28⅜	25⅞	28⅛	24½	26¾	26	27⅛	25¼	27⅜	24	26⅜	25¼	26⅞	26⅛	27¼	26	26⅞
Waukesha Motor Co ____5	16¼	17⅛	16⅛	16⅞	16⅜	17⅜	16½	17⅞	16¼	17¼	14⅞	16¼	14⅞	15½	14¾	15½	13	14¾	13⅝	14⅞	13½	15	13⅜	13⅞
Wayne Knitting Mills ____5	22⅜	23⅜	23	23½	22⅝	24¾	22⅛	23⅝	21⅞	23½	20½	23¼	21⅝	22⅛	21	22¾	20	21½	19¾	20⅜	19¾	20½	18¼	21⅛
Wayne Pump Co ____1	12⅛	12½	11¾	13¼	11⅞	12¾	11⅛	12	10⅝	11¼	9⅝	10¾	9¼	10	8¾	9⅞	8	9⅛	8⅜	9¼	8⅞	9¼	8⅝	9⅜
Webster Investment Co ____5	10⅜	10⅞	10⅜	11½	11¼	12⅛	11⅛	11½	10⅞	11⅛	10¼	10¾	10½	11	10¾	11¼	10	10½	10⅛	10¼	10⅜	10½	10⅝	11½
Wesson Oil & Snowdrift Co Inc ____2.50	27⅛	28¼	27	28½	26½	27¾	25⅝	26⅝	24⅜	26⅛	23⅝	25	23⅞	25¼	21¼	24½	21⅛	23½	21⅜	22½	22¼	24⅛	22¾	24⅝
$4 convertible preferred ____*	82½	84	83	84⅞	82	83¾	81¼	83	79½	82½	76¼	80	78	79½	77	79½	74	79½	73½	78	77⅞	79½	77½	80
West Indies Sugar Corp ____1	25¼	29¾	25⅜	27⅛	25⅛	27	21⅛	27½	21⅝	23⅞	20	22½	19⅜	22	19¾	21⅞	18⅛	20	17½	19	17⅜	18¾	17½	19¼
West Kentucky Coal Co ____4	25⅛	28⅜	25⅛	27¾	25⅜	27½	23¾	26¾	22½	24⅛	22⅛	23	21⅝	23⅛	20¾	22⅜	17¾	20¾	17⅛	18⅞	17⅛	18⅝	16	18⅛
West Penn Electric Co ____*	35⅝	37¼	35½	37¾	35½	37¼	35⅝	36	34¾	36	32	35½	34	35⅜	33½	36	32⅛	34⅞	33¾	35¾	35½	37⅛	35⅞	37¼
Rights ____	7/32	¼	¼	17/64	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
West Penn Power Co 4½% pfd ____100	104¾	107¾	104	106½	103½	106	100	105½	100	103	98⅞	101¾	101	103½	101	103½	99⅜	103½	103¼	105¼	103½	106	103⅛	105
4.20% preferred series B ____100	102	102	101	102	99½	99½	96¼	97	--	--	88½	90	95	95½	--	--	93	95	97	100	100	100	96½	98
4.10% preferred series C ____100	99	99½	96½	97½	--	--	93	93½	90	91	89½	89½	90	93	92	95	91	93½	95	98	97½	98	94½	94½
West Virginia Coal & Coke ____5	15¼	16¾	14⅝	16	14⅛	15⅛	13½	14⅜	13⅛	14	13⅛	14⅛	13⅝	15½	13¾	16⅛	13⅝	14⅝	13⅜	14¾	12½	13½	12½	13½
West Virginia Pulp & Paper Co ____*	79½	82	78	82	75	79½	70⅜	78	70½	73	69	72¼	70½	79	79	86	77⅝	85⅞	81	87	87	87⅝	--	--
Common new ____5	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	21⅞	23⅜	22½	25¾
Preferred 4½% series ____100	107¼	109	107	109	106¾	107½	106	107½	105⅜	106¼	105⅜	107½	105	106	105	106¼	104	105¾	106	106	104½	106	105¾	108
Western Air Lines Inc ____1	11	12⅜	10⅞	12¼	11⅝	12⅜	10⅜	11⅝	10½	11⅜	9⅞	11	9½	10⅜	8¾	10½	8⅜	9⅜	8⅝	9¾	8¾	9½	8¾	9⅝
Western Auto Supply Co ____10	53½	56¼	53¾	56	54⅜	57⅞	52¾	55⅞	53½	55½	50¾	53⅞	49	51	47	51½	43½	48	45¾	58	48	50¾	46	49⅝
Western Maryland Ry Co ____100	24⅜	31½	27¾	30⅞	28¾	32¼	26	30	26	29¼	23¾	27⅛	25⅝	27⅞	22½	27⅝	20	23¾	20⅝	25½	24¼	26¼	22	26¼
4% non-cum 2nd preferred ____100	45	60¼	55½	61¼	59	63½	54	60¾	55½	58½	49¾	55¼	53	55¼	48	54¼	46½	49	47	54	53	55¼	50⅛	55
Western Pacific RR Co ____*	60⅞	63⅜	60¼	64¾	61½	67⅜	54	63¾	55½	59¾	51¾	57¾	54¾	57½	50¼	57	46½	52¾	47¾	52	49¾	52⅛	52	59¼
Preferred series A ____100	96	97¼	96½	97	96½	97⅝	90½	97½	90	92½	92⅜	95	94½	95	95¾	98½	92½	99¼	91	96	93¼	94	93½	98
Western Union Telegraph Co ____10	39¾	42¼	38⅞	41⅝	39⅝	43¾	39¼	42⅜	40¾	43¼	40⅛	45¼	42⅝	45½	42¼	48⅞	41⅛	45	41¾	44½	41⅛	43¼	39⅞	43¼
Westinghouse Air Brake Co (The) ____10	26⅜	28⅛	27⅜	28¼	27⅛	27⅞	25⅞	27⅜	25⅞	29⅛	25¼	27⅝	25¾	26¾	24½	26¼	22½	24⅝	22½	24	22⅜	25	22¼	23⅞
Westinghouse Electric Corp ____12.50	46⅛	48	43¾	48⅛	44⅝	50	43¼	47	44½	46⅞	41½	45⅜	43⅛	44⅞	41	46¾	39½	44⅜	42¾	48⅝	46¾	51⅝	49⅝	52½
3.80% cum preferred series B ____100	98½	99¾	98	99¾	98	99¼	96	98¾	91⅞	95¼	91⅛	93¼	92½	95¼	93	95¼	92½	94⅞	94⅝	97½	98	99	98¼	99
Weston Electric Instrument Corp ____12.50	40	42	39½	41	39¾	49½	41¼	46½	43	43	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New ____12.50	--	--	--	--	--	--	--	--	19	22	16½	19¼	18¼	19¼	17	19½	16⅝	17⅝	17½	19¾	18⅜	19½	17¼	22⅜
Rights ____	--	--	--	--	--	--	--	--	⅛	7/16	⅛	¼	--	--	--	--	--	--	--	--	--	--	--	--
Wheeling & Lake Erie Ry Co ____100	126	126	126	126	127	127	126	127	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Wheeling Steel Corp ____*	37⅛	40	36¼	39½	36⅝	40⅜	35¼	38¼	37⅜	39⅜	35⅝	38¾	36¼	38⅜	34¼	38¾	30⅛	34⅜	30¼	35⅛	33½	35¼	30⅛	34½
$5 cum prior preferred ____*	83⅛	84½	83	85	83⅜	86⅛	83¼	85¾	83¾	85	83¼	84⅞	83	85	83	84½	80⅛	83	80	81¾	81½	84	81	83½
White Dental Mfg Co (The SS) ____20	[illegible]	[illegible]	[illegible]	30	27¼	29⅞	25¾	27¾	25¾	26⅜	25½	26¼	25½	26⅝	26¼	26½	25⅛	27	25½	27½	25½	26¾	24¾	25⅞
White Motor Co ____1	25¼	27	26⅝	28⅛	26¼	28⅞	25⅜	27	26¼	27¼	25	27	25½	26⅞	25⅛	27⅜	23	26⅝	24⅝	29	27¾	29½	28½	30⅛
White Sewing Machine Corp ____1	11⅛	12⅝	11¼	12	11⅜	12⅜	10⅞	12⅛	10⅝	11	9⅞	10⅝	8	10⅛	7⅞	9⅛	7	8⅛	6	7¾	5⅜	6⅜	4⅞	5¾
Prior preferred ____20	30	30¼	30½	30½	31¾	32⅛	31½	32⅜	29¾	31	30½	31½	28¾	30½	29	29	27¾	28	25	26⅞	24¼	25	21½	24¼
Wilcox Oil Co ____5	21½	24	21½	23½	22¾	25½	22¼	25	23	30⅛	25½	28¼	24⅜	29¼	21¾	26½	18¾	22½	19¼	23	21	22¼	21	23¾
Willys-Overland Motors Inc ____1	12⅛	13¼	11¾	14⅜	12⅞	15⅝	14⅝	15¾	15⅝	16	15½	16	15⅞	16¼	16⅛	16½	16⅛	16⅜	16⅛	16⅝	16	16¼	16⅛	16⅝
$4.50 cum preferred series A ____*	77½	81	80	85	84	100⅛	97	104¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Wilson & Co Inc ____*	11	11¾	10¾	11¾	10¾	11⅞	10½	11½	10½	11	9⅜	10⅝	9¼	10	8¾	10¼	7¾	9¼	8½	9⅛	8½	9¼	8¼	9
$4.25 preferred ____*	70½	74	73¾	74½	73	74¾	71⅛	72½	71	72¼	68¾	71	67½	68½	67½	69	65⅞	68	63¼	66¼	65	66¾	65½	72¼
Wilson-Jones Co ____10	12¼	13¼	12¼	13	12¼	13	10⅜	12⅜	10⅛	10⅝	10⅛	10½	10	10⅜	10	10⅜	9¼	10	8⅞	9¼	8½	10⅛	9⅝	10⅛
Winn & Lovett Grocery Co ____1	24¼	25⅛	24½	27¼	26⅜	28	25⅞	27⅛	26⅜	30⅞	26⅛	28¾	27¾	30⅛	29	30½	28⅞	29¾	29¼	30¼	30⅛	33¼	32	35⅞
Wisconsin Electric Power Co ____10	26½	27⅝	27	28⅜	26½	29⅜	26⅝	28¼	25½	27½	24½	26⅝	25¼	27⅜	25⅞	27⅜	25½	27½	27½	39¾	28⅛	29	28⅜	29¼
6% preferred ____100	135	135	131½	133	130	132½	126	128	126	127	126	128	126½	128	129	130	129	130	131	134	134	134⅛	133	135
Wisconsin Public Service Corp ____10	--	--	--	--	--	--	--	--	17⅝	19	16⅜	17⅝	16¾	17½	17½	18⅛	16⅝	17⅞	17⅛	18¼	18⅛	18⅞	18½	19¼
Woodward Iron Co ____10	52⅛	53	51	53	48	52	45	48½	45¾	47	42	46½	43	45	40	44⅛	36	40¾	38¾	42	40¾	41¾	36½	41¾
Woolworth (F W) Co ____10	44⅛	48	44⅝	48	45¼	46½	44¾	46⅜	44⅝	46⅜	43½	44¾	43¾	45⅛	43⅝	45¾	42⅞	43⅞	43¼	44⅛	43¼	44¼	42⅝	43⅝
Worthington Corp (Del) common ____*	30⅛	31⅞	30⅛	31⅞	30½	35⅝	30½	33¼	31¾	34⅜	30	32¾	29⅞	31½	28¾	32⅜	26	29¾	27	29⅜	28¾	30¼	28½	30⅝
Prior preferred 4½% series ____100	80	81½	80½	81¾	80½	86	81½	83	80⅝	82½	78½	80⅝	78	79¾	77	78½	75	77¼	76¼	78	77	78½	75½	77½
Prior preferred 4½% conv series ____100	111	116	111	112½	112	130½	113½	119½	116	124½	111	114	111	114	110	117¼	101	108¼	102	106	106	110¼	107¾	112
Wrigley (Wm) Jr Co (Del) ____*	72	74¾	71½	74½	72¼	75	72¼	74½	71⅛	73¼	71¼	73¼	72½	73¾	73	76	73¼	76	74	76½	76	78	78	82
Wyandotte Worsted Co ____5	10¼	11	10	10¾	10	11¼	9¼	10⅛	9⅜	9⅞	9	9¾	8⅝	9⅛	8⅜	9¼	7¼	8⅝	7¼	8	7¼	7⅞	6¾	7⅞

Y

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Yale & Towne Manufacturing Co ____25	35½	37⅜	35½	37⅜	36¾	39	36¾	39¼	36⅛	38¾	34¼	37	35	36	33	36½	31	34	33	36¼	34	36½	35½	37⅛
York Corp ____1	18⅞	20¼	18	20½	20	23⅛	20⅝	23¼	21⅜	22½	18⅝	21⅜	19	20⅜	18½	22	16¾	19½	18	19⅞	19⅜	21	20¾	22⅝
4½% cum conv preferred ____50	48	49	47¾	50¾	50⅝	53½	49¾	52½	49½	51¼	47	49	47½	50¼	50½	52	48½	50¼	47½	49	48¼	49¼	49½	52
Young (L A) Spring & Wire Corp ____*	31½	34½	31¼	33	31	34	29¼	31¾	29	30½	27½	29¼	26	28	24¾	27½	22½	24⅝	22¾	24½	23	25¾	20¼	23
Youngstown Sheet & Tube Co ____*	44¾	47⅜	42¼	45¾	41¾	45⅞	41⅛	43⅜	40⅝	43½	37¾	41	39	40⅞	35¾	41⅝	34	37¼	35	39¾	37¼	39⅜	37⅛	40½
Youngstown Steel Door ____*	14¾	16½	14⅞	15⅛	14¾	15½	13¾	14⅝	13⅜	14⅛	13	13¾	12⅝	13⅜	12¼	13¼	11⅝	12¾	11⅝	12¼	11¾	13	11	12⅛

Z

STOCKS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Zenith Radio Co ____*	78¾	84	75	79¾	74¾	80½	68	76½	68	74	63¼	70½	65	72½	66	75	66⅛	72¾	68¼	73⅛	68⅛	72⅜	62⅝	70½
Zonite Products Corp ____1	4½	4⅞	4½	5⅛	4¾	5⅛	4¾	5¼	4⅞	5¼	4¾	5	4½	5	3⅞	4¾	3½	4⅛	3⅜	3¾	3⅜	3⅝	3⅜	5¼

*No par value. a Deferred delivery sale r Cash sale. x Ex dividend. wd When delivered. wi When issued. y Ex rights.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
U. S. Governments—																								
Treasury—																								
3¼s ... 1978-1983	--	--	--	--	--	--	--	--	99.24	99.24	--	--	--	--	--	--	--	--	--	--	--	--	104.16	104.16
2½s ... Dec 1964-1969	--	--	--	--	94.8	94.8	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
2½s ... 1966-1971	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	95.20	95.20	--	--	--	--
2¼s ... 1956-1959	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	99.14	99.14	--	--	--	--
Intern'l Bank for Recon & Devel—																								
25 year 3s ... 1972	93.24	94.16	93.12	93.24	93	93.14	93.8	94.8	93	93.12	90.16	93	93.8	94	93.16	94	93.16	93.30	94.2	94.16	94	94.8	93.16	94.8
25 year 3s ... 1976	--	--	92.20	92.24	92	92.20	91.25	92.16	92.16	92.22	92.8	92.30	93.20	94	93.8	93.8	--	--	93.21	93.24	93.8	93.20	93	93.8
30 year 3¼s ... 1981	94.22	95.8	--	--	94.24	94.24	93.28	94.8	93.4	93.20	92	93.2	92.20	93.20	93.24	94.8	93.24	94.8	94.9	95	96	96	95	95.8
23 year 3⅜s ... 1975	--	--	--	--	97	97	96.28	96.28	--	--	96	96	95	96.8	--	--	96.14	96.14	--	--	--	--	98	98
19 year 3½s ... 1971	99.24	99.24	99.20	100	99.8	99.8	98.24	98.24	97.16	97.16	--	--	--	--	99	99	98.16	99	99.16	101	100.16	100.16	100.16	100.16
3 year 3s ... 1956	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	100.20	100.20	100.16	100.24	100.16	100.22
New York City—																								
Transit Unification Issues—																								
3s corp stock ... 1980	99¾	101⅛	98 1/32	100½	98 11/32	99 3/16	97¾	99½	97¼	98¾	95	98	97½	98 11/32	98	99	96 17/32	98	97 13/32	99¾	98 23/32	100¼	98¼	99 11/32
Agricultural Mortgage Bank—																								
Guaranty sinking fund 6s ... 1947	--	--	92½	92¾	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Sinking fund 6s ... 1948	--	--	--	--	--	--	92	92	--	--	--	--	90½	90½	--	--	91	91	--	--	--	--	--	--
Akershus (King of Norway) 4s ... 1968	98	98½	95⅛	96	97	98½	99	100	99¾	100	99½	99½	99½	99½	100	100	99½	99½	100	100	100	100	100	100
Antioquia (Dept) coll 7s series A ... 1945	--	--	65¾	65¾	--	--	--	--	--	--	65	65	--	--	--	--	70	70	70	70	70½	70½	--	--
External s f 7s series B ... 1945	--	--	65	65	67	67¼	68	68	--	--	65	65	--	--	--	--	--	--	70	70½	70½	70½	--	--
External s f 7s series C ... 1945	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	70	70	70½	70½	--	--	--	--
External s f 7s series D ... 1945	--	--	--	--	--	--	68	68	67½	67½	65	65	67½	67½	70	70	69	69	--	--	--	--	70½	70½
External 7s 1st series ... 1957	--	--	--	--	--	--	--	--	--	--	--	--	--	--	68½	69½	70	70	--	--	--	--	72	72
External sec s f 7s 2nd series ... 1957	--	--	--	--	--	--	--	--	--	--	65	65	67	67	--	--	--	--	70	70	--	--	--	--
External sec s f 7s 3rd series ... 1957	--	--	65¾	65¾	--	--	68	68	--	--	--	--	--	--	68½	68	--	--	70	70½	70½	70½	70½	70½
30-year 3s $ bonds ... 1978	41½	42½	42	43	43½	44⅛	42⅞	43⅝	42¼	43¼	40¾	42¼	41	43	42⅝	43⅜	42¾	44⅜	43¼	44⅝	43¼	44	43	44¼
Antwerp (City) external 5s ... 1958	101⅛	102⅜	101½	102	101	101⅞	101⅜	102	101½	103⅛	103⅝	104½	103½	105	104	104½	104	105	103	104¼	104	104¼	104¾	105
Australia 5s ... July 15 1955	101¾	102¼	101⅝	102⅛	100⅞	101¾	100½	102¼	101	102⅜	101⅛	102¼	101⅞	102⅝	102	102½	102	102¼	101⅝	102¼	101⅜	102	101	101½
Called	--	--	--	--	--	--	--	--	100⅛	100¼	99 31/32	100 1/32	99 31/32	99 31/32	--	--	--	--	--	--	100 1/16	100 7/16	99 23/32	100 3/16
10-year 3¼s ... 1956	96½	97¾	97⅝	98½	98	98½	98	98¾	95½	98	97¼	98¼	97¾	99½	99¼	100	97½	99⅝	98⅛	99½	99⅛	100	99½	100
10-year 3¼s ... 1957	94¾	96¼	96⅛	97	96½	97½	96	97	95⅞	96½	96⅛	97	96⅝	98¼	97¾	99	97	98⅝	97¼	98½	98¼	99¾	99	100
20-year 3½s ... 1967	89¼	89⅞	88¾	89¾	89⅛	90½	89⅞	91	90	91¾	91	94¾	93⅛	95½	94¼	96	95½	97	95¾	96⅝	95½	96½	95¾	97⅜
20-year 3½s ... 1966	88⅝	89¼	88¼	89⅜	88¾	90¾	89	91¼	90	91¾	91	94½	93⅜	95¼	94¼	95¾	95¼	96⅜	95½	96¾	95¾	96½	96	97¾
15-year 3⅜s ... 1962	88	89¼	88⅞	90¾	90½	92	90½	92¾	89½	92⅜	91½	95	94	95⅜	94	96	95⅝	96¼	95¾	96⅞	95⅛	96⅝	95⅛	97¾
Belgium (Kingdom of) 6s ... 1955	103¼	105	--	--	105	105	106	106	102⅛	102⅛	102	102⅛	103	103	103	103	--	--	102	103½	102¾	102¾	100 7/32	100 7/32
External sinking fund 7s ... 1955	110½	111¾	111¼	111½	109⅝	111½	109⅝	110½	109⅜	112⅝	111	113	111	111⅜	110⅞	111½	110	110¾	108½	110	108⅝	109	109	109¾
Brazil (U S of) external 8s ... 1941	--	--	--	--	--	--	91	91	--	--	91½	93	92	92	94	94	94⅝	94⅝	94¾	94¾	95¾	95¾	95⅛	95½
Stamped pursuant to Plan A (interest reduced to 3.5%) ... 1978	59½	60½	--	--	60⅞	62	60	62	60	63½	59½	63½	59	59½	59⅝	60	60⅛	62¼	61	61⅜	61⅜	62	59⅛	61½
External s f 6½s of 1926 ... 1957	86	86	86½	87	88	88	87	89⅛	87	87	--	--	89½	89½	--	--	90	91	91¼	92	92	92	--	--
Stamped pursuant to Plan A (interest reduced to 3.375%) ... 1979	55	56⅜	56	58	57⅛	60	57¾	59½	58½	60¾	57⅝	60	57½	58½	57½	58	57½	61	59½	61	59¼	61¼	59	60½
External s f 6½s of 1927 ... 1957	--	--	86	86	--	--	--	--	--	--	--	--	88	90	89⅝	90	90½	91½	90½	91½	92	92	--	--
Stamped pursuant to Plan A (interest reduced to 3.375%) ... 1979	55	56½	56⅜	58	58	59¾	58	61⅛	59⅝	61½	58¾	60⅞	56¾	57⅞	57⅜	57⅜	57⅝	60	59	60	59½	61	60¾	61⅛
Central Ry 30-year 7s ... 1952	--	--	89	89	--	--	--	--	--	--	--	--	91	91	--	--	--	--	93½	93½	93½	93½	94½	94½
Stamped pursuant to Plan A (interest reduced to 3.5%) ... 1978	58	58⅛	58	58½	58¾	59⅝	60	60	60	63½	61	63⅜	60¼	61	60½	60⅝	60⅝	61	61	61⅛	61¾	62	59	62
5% funding bonds of 1931																								
Stamped pursuant to Plan A (interest reduced to 3.375%) ... 1979	57½	57⅝	57⅞	59	59⅛	61	58	61⅛	59	61½	56½	60¾	56¼	57¼	57	58	59	61	58½	60	58½	58½	58½	60½
3¾s external dollar bonds of 1944 (Plan B)																								
Series No. 1	79½	81	81½	83	81	83	82	83	82	83⅛	79¾	83	78½	79½	79	80	77½	80	79	80	79⅝	80¾	79½	81⅛
Series No. 2	--	--	75¼	77	76½	77½	77½	80¼	81	81½	78½	81½	76⅛	78½	76⅝	76⅝	76½	78½	79	79	79¼	79½	77⅜	80
Series No. 3	74¾	75¼	75⅛	77½	75¾	76⅞	75½	76⅛	75	76	76	78¼	75⅛	78	75⅝	76¼	76¾	78½	77½	79	78	79¼	76½	80
Series No. 4	75	75½	74½	77	76	76¾	76½	76½	75¾	77½	77	78½	77	79½	78	80	78½	91	78¾	79	78¾	79½	78	80
Series No. 5	74½	76	75	77½	76⅛	76⅛	76	76⅛	75½	77¼	77	78	75	76¼	74½	76⅞	76¼	78½	78	79	78⅝	79¼	77⅛	80
Series No. 7	82½	83	--	--	--	--	--	--	80	81	82	82	--	--	--	--	85	85	85	85⅛	85½	85½	89	89
Series No. 8	74	74⅛	75	75	76	76	--	--	--	--	77½	82	79	79	--	--	--	--	79	79	79	79¼	79¼	80½
Series No. 9	83	85	--	--	--	--	85	85	79½	82	82	82	82	82	--	--	87	87	--	--	87	87¼	--	--
Series No. 10	--	--	--	--	--	--	85	85	87½	87¾	87¾	87¾	88¼	88¼	--	--	92	97½	97½	97½	95	95	--	--
Series No. 11	76	76	--	--	--	--	--	--	--	--	78	78	--	--	78½	80	80	80½	--	--	80	80	80	80
Series No. 12	76	76	75½	76¼	76¼	76¼	77	77	76½	77½	77½	77¾	78	78	80	80	82½	82½	--	--	81	81	80	80
Series No. 13	79	79	--	--	80	80	--	--	--	--	--	--	83½	83½	--	--	92	92	--	--	--	--	88	88
Series No. 14	74	74⅛	74⅛	76	75¾	75¾	75⅜	76⅛	76⅛	76½	77	80	76¾	76¾	75	75	76¾	79	79	79	79⅛	79⅛	79½	81½
Series No. 15	76	76	75½	75½	75½	75½	--	--	77	77¼	77	78	--	--	76⅜	76½	--	--	82	82	--	--	79	79
Series No. 16	--	--	--	--	--	--	--	--	76¼	77	78	78	76½	77	76½	76½	--	--	80	82	--	--	80	80
Series No. 17	--	--	--	--	--	--	--	--	--	--	79	79	--	--	--	--	78	78	--	--	--	--	--	--
Series No. 18	78½	78½	74⅛	75⅞	75⅝	76	--	--	--	--	77	80½	--	--	75½	75½	77	78½	81¼	82	79⅛	79⅛	79½	81
Series No. 19	--	--	75	75	75½	76⅛	--	--	76⅛	76¾	--	--	75	75	--	--	77	78½	82	82	80	80	78	79½
Series No. 20	--	--	73¾	76	--	--	75½	75½	--	--	--	--	--	--	--	--	77	77	--	--	80	80	81	81
Series No. 21	83⅛	83⅛	85	85	--	--	85¾	85¾	--	--	--	--	--	--	--	--	--	--	--	--	90⅛	90⅛	95	95
Series No. 22	77	77	77½	78½	--	--	82½	82½	83½	88	87	88	87½	87½	91	91	92⅛	94	--	--	88	93	91	93
Series No. 23	74	74½	74¾	76½	75½	76⅛	77	77	76½	77½	77	78	75½	78	79½	80	78	79	79	79	79	80	79	80
Series No. 24	--	--	78	78	--	--	--	--	82	82	--	--	--	--	--	--	81	81	--	--	--	--	--	--
Series No. 25	--	--	76½	76½	--	--	78	78	77	78	78	78	77½	77½	--	--	80	80	--	--	--	--	80	80
Series No. 26	--	--	75¼	76	75½	75½	75½	75½	--	--	77½	77½	--	--	75½	75½	--	--	--	--	--	--	--	--
Series No. 27	--	--	--	--	78	78	--	--	84¼	87	--	--	86⅛	86⅛	85	87	--	--	--	--	--	--	81¼	81¼
Series No. 28	76	76	--	--	--	--	76½	76½	--	--	--	--	77	78	--	--	81½	82	80	80	--	--	79	79½
Series No. 29	--	--	75½	76	--	--	--	--	76	76	--	--	77½	77¾	--	--	--	--	--	--	79⅛	79⅛	79	79½
Series No. 30	--	--	--	--	75¾	75¾	--	--	--	--	77½	77½	76⅞	76⅞	--	--	--	--	--	--	--	--	79	79
Brisbane (City) sinking fund 5s ... 1957	101½	102	101½	102½	100¾	102½	100½	101	101	102	101¾	101¾	101⅞	102½	102⅛	103	101⅞	102¾	102½	103	102¼	102¾	102½	103⅞
Sinking fund gold 5s ... 1958	101½	101⅞	101½	102⅛	101	102⅛	100½	101	101¼	102	101¾	102¼	102	103	102¾	103⅛	102½	103½	--	--	102¼	103	102½	103¾
Caldas (Dept of) 3s ... 1978	42	42½	42⅜	43	43¼	44	43	43⅜	42	42½	40½	42½	42½	43¼	42¼	43½	44	44	44	44¾	43¾	44	43⅛	44
Canada (Dominion of) 25-yr 3¼s ... 1961	102¼	102⅞	102⅝	103	102⅛	103¼	101⅜	102⅜	99¾	102	99½	101	100½	101½	101½	102⅛	101½	102⅛	101⅞	102⅞	102⅛	102⅞	102¼	103¼
25-year 2¾s ... 1974	94	95⅝	93¾	94¾	93½	94	92¾	94	92⅝	93½	91⅞	92½	91⅝	92½	92¼	92⅝	92½	93⅞	93⅞	94½	94¼	95	93⅞	95½
25-year 2¾s ... 1975	94¼	95¼	93⅝	94¾	92¾	93¾	92¾	93½	92⅛	92¾	91⅞	92⅛	91½	92	92	92½	92⅜	93½	93½	95	94	94½	93	94¾
Carlsbad (City) 8s ... 1954	--	--	--	--	--	--	--	--	65½	65½	70	80	--	--	--	--	--	--	--	--	--	--	--	--
Cauca Valley (Dept of) 3s ... 1978	42	42½	42	43	43½	44¼	43	43⅝	42¼	43	40½	42	42⅛	43	43	43	43	44	43¼	44⅝	43¾	43¾	43	44¼
Chile (Republic) external s f 7s ... 1942	--	--	55½	58½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
7s assented ... 1942	--	--	--	--	--	--	--	--	36¼	36¼	34	34	34¼	34¼	--	--	--	--	37¼	37¾	38¼	38¼	--	--
External sinking fund 6s ... 1960	55½	55½	55½	58½	59	59	58½	59¼	58¾	58¾	57	58¼	57½	57½	--	--	59	60	--	--	61¼	61½	61½	61¾
6s assented ... 1960	36	37½	34⅝	35⅞	36	36⅝	36¼	36½	36¼	36¼	33⅛	34⅝	34⅜	35½	--	--	35½	37½	37¼	37¾	38½	38¾	38½	38¾
External sinking fund 6s ... Feb 1961	--	--	55½	55½	59⅛	59⅛	59⅛	59⅛	58⅞	58⅞	--	--	57	57⅛	57¼	58	58	58	59¼	60	61¼	61¼	61½	61⅞
6s assented ... Feb 1961	36¾	36¾	35⅛	35⅛	36	36	36	36	36¼	36⅜	--	--	34¾	35¼	34⅝	35¼	34⅝	34⅝	37¾	37¾	38½	38½	--	--
Ry external sinking fund 6s ... Jan 1961	55½	56	55½	55½	58⅞	59⅝	58½	58½	--	--	57	58¾	--	--	57⅞	57⅞	--	--	59¼	59¼	61¼	61¼	61½	61½
6s assented ... Jan 1961	36¾	36¾	--	--	36½	36½	36½	36½	36¼	36¼	33⅝	33⅝	34⅝	35¼	--	--	34¾	37½	37¼	37¾	38½	38¾	38½	38½
External sinking fund 6s ... Sept 1961	--	--	58⅜	58⅜	--	--	58½	58½	--	--	--	--	--	--	--	--	--	--	--	--	61½	61½	--	--
6s assented ... Sept 1961	36¾	36¾	34½	35	36	36½	--	--	36¼	36¼	--	--	34½	35½	--	--	--	--	37¼	37½	38½	38¾	--	--
External sinking fund 6s ... 1962	55½	55½	58⅜	58⅜	59⅜	59⅜	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
6s assented ... 1962	37⅛	37⅛	--	--	36	36	--	--	--	--	33⅛	33⅜	--	--	35¼	35¼	--	--	--	--	38½	38½	--	--
External sinking funds 6s ... 1963	55½	55½	--	--	59½	59½	58	59⅜	--	--	57	57	--	--	57⅞	57⅞	--	--	59¼	59¼	61¼	61¼	61½	61½
6s assented ... 1963	--	--	34½	35¼	36	36½	36½	36½	--	--	33½	34	--	--	--	--	34¾	34¾	37¼	37¼	--	--	38½	38½
External s f $ bonds 3s ... 1993	34⅝	35½	34⅝	36	35¾	36½	35⅜	36½	34	36	32¼	34	32¾	34	33¼	34¼	32¾	36¾	35⅞	37	36⅝	38⅛	36¾	37½
Chile Mortgage Bank 6½s ... June 30 1957	--	--	58½	58½	--	--	--	--	--	--	--	--	57½	57½	57⅞	57⅞	--	--	--	--	--	--	--	--
6¾s assented ... 1961	37¼	37¼	--	--	36½	36½	--	--	36¼	36¼	--	--	34¼	34¾	34⅝	34¾	--	--	--	--	38	38¾	--	--
S f 6¾s of 1926 ... June 30 1961	55½	55½	--	--	58⅝	58⅝	59⅛	59⅛	58⅝	58⅞	58¼	58¼	57⅛	57⅛	--	--	--	--	--	--	--	--	61⅝	61⅝
6¾s assented ... 1961	36¾	36¾	--	--	--	--	36½	36½	36¼	36¼	--	--	34⅜	34⅜	--	--	--	--	--	--	--	--	--	--
Guaranteed s f 6s ... Apr 30 1961	--	--	58	58	--	--	--	--	58¾	58¾	58	58¾	--	--	--	--	--	--	--	--	--	--	61¾	61¾
6s assented ... 1961	37¼	37¼	--	--	36½	36½	36½	36½	--	--	--	--	34¼	34¼	--	--	--	--	37¼	37¼	--	--	38½	38½
Guaranteed s f 6s ... 1962	55½	55½	56	56	59⅜	59⅜	59	59	--	--	--	--	--	--	--	--	--	--	59¼	59¼	--	--	--	--
6s assented ... 1962	--	--	35¾	35¾	36½	36½	36½	36½	35½	35½	33¼	33¼	--	--	--	--	--	--	--	--	38½	38½	38½	38½
Chilean Cons Munic 7s ... 1960	--	--	55½	55½	58½	58½	--	--	--	--	58	58	57⅛	57⅛	--	--	58	58	--	--	61½	61½	61¾	61¾
7s assented ... 1960	37¼	37¼	--	--	36	36	36½	36½	--	--	--	--	--	--	--	--	35¾	35¾	--	--	--	--	--	--
Chinese Govt (Hukuang Ry) 5s ... 1951	4⅛	4⅜	5	5	5¾	8	7	8	6½	7¾	--	--	--	--	--	--	6	6⅞	6	6	6	6½	6½	6½
Colombia (Republic of)—																								
6s of 1928 ... Oct 1961	--	--	--	--	--	--	--	--	98½	99	99	99	99	99	--	--	--	--	99	100	103⅛	103⅛	103	103
External sink fund gold 6s ... Jan 1961	99	99	--	--	99½	99½	99	99	98½	98½	98½	98½	--	--	98½	98½	--	--	99	100	100	100	--	--
External sinking fund 3s ... 1970	52	53¼	52⅝	54½	52½	53½	51½	52¼	51¾	52½	49⅛	52¼	50¾	51¾	52	53¾	52⅛	53½	51⅞	53	52⅜	53	52½	53½
Colombia Mortgage Bank 6½s ... 1947	--	--	--	--	--	--	--	--	--	--	--	--	62	62	62	62	--	--	--	--	--	--	--	--
Sinking fund 7s of 1926 ... 1946	--	--	--	--	--	--	--	--	63¼	63¼	--	--	62	62	--	--	--	--	--	--	--	--	--	--
Sinking fund 7s of 1927 ... 1947	--	--	93	93	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

For footnotes see page 24.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Copenhagen (City) 5s 1952	90⅛	92	92	96¾	94⅝	96⅞	95⅝	100⅜	98	99½	96	98⅛	98⅛	99⅝	98	99¼	98	98⅞	98⅝	100⅞	100¼	101	98½	101
Called	100⅝	100⅜	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
25-year gold 4½s 1953	88¼	90⅛	90½	94½	91½	94¾	92¼	97¼	95⅞	98½	97	98⅜	97¾	100	98	99¼	98	99	98⅝	100⅛	98½	99⅛	98¾	100⅛
Costa Rica (Republic of) 7s 1951	37¼	38⅞	38	39⅜	38½	39½	37¾	39¼	37⅞	39	37½	39	37⅞	38⅜	37¾	38⅞	37½	40	40	41½	40¾	42⅞	42¼	45
Cuba (Republic of)—																								
4½s external debt 1977	111⅞	114	112½	114	113	114⅛	112⅛	113¼	112½	113¼	113¼	117	112	115	112¼	114¼	114	115⅞	112⅝	114	112⅜	114	112	113⅝
Cundinamarca (Dept of)—																								
3s $ bonds 1978	42	42½	41½	43	43½	44	42¼	43½	42	42½	41¼	41⅞	41½	42¾	42¾	43	43¼	44	43¼	44⅝	43½	44	43½	44
Czechoslovak (Republic)—																								
Stamped assented (int reduced to 6%) extended to 1960	29½	30	--	--	34	36	34¼	38	39½	42	34	36½	36½	36½	36½	38	35½	35½	35½	37½	36	37⅛	37	39
Denmark (Kingdom) 20-yr extl 6s 1942	98¾	101	100	100⅝	100⅝	100⅝	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
External gold 5½s 1955	100¼	101¼	100	101	100	101	100⅝	102	100	101⅜	100	100⅜	100¼	101⅞	101⅛	102	100½	101⅞	100¾	101¾	100 3/16	100 25/32	100	100 3/16
Called	--	--	--	--	--	--	100⅜	100⅜	100⅜	100⅜	100 3/16	100 3/16	--	--	--	--	--	--	--	--	--	--	--	--
External gold 4½s 1962	91¼	93	92¼	97½	95½	98½	98¼	100⅜	100	100⅜	100	100¼	100	101	100⅛	101¾	100	100¾	100	100¾	100	100¾	100¼	101⅜
El Salvador (Republic of)—																								
4s extl s f $ bonds Jan 1 1976	82	82	--	--	--	--	--	--	82	82	--	--	82	82⅛	82¼	82¼	--	--	82¼	82¼	--	--	82¼	82¼
3½s extl s f $ bonds Jan 1 1976	62	62	63½	64	63⅝	63⅝	63⅝	64	64⅛	65	65	65	65	65½	--	--	65	65	65	65	65¾	65¾	65	65
3s extl s f $ bonds Jan 1 1976	55	57	57	57	--	--	--	--	57⅛	57⅛	--	--	58	58½	58¼	58¼	58¼	58¼	58¼	58¼	--	--	58¼	58¼
Estonia (Republic) 7s 1967	10¼	11⅞	--	--	15	15	15	16¾	15	15	--	--	--	--	--	--	12½	12½	--	--	15	15	--	--
Great Consolidated Elec Pow—																								
7s 1st mtge ser A 1944	149½	154	152¼	154¾	152⅛	152¼	153½	154½	154½	154½	154	154	156	156	158½	158½	158	158¾	--	--	160⅝	160⅝	161½	161½
7s 1944 extended to 1954	96	98½	97⅞	98½	98⅜	98¾	98⅜	99	98½	99	98¼	99½	99¼	99¾	99⅝	99⅞	99	99¾	99⅛	99⅞	--	--	99⅝	100
1st 6½s gen mtge 1950	138½	149¼	146	149¼	145	146	146	148	147¼	148	--	--	149	149	152	153	153⅝	154	153¼	154	154¾	154¾	--	--
6½s due 1950 ext 1960	93	98	97	97½	95	95⅛	95½	95¾	95	95	95	96	96⅛	97	98	98	97	98	--	--	97⅝	97⅝	98⅛	98⅛
Greek Government 7s part paid 1964	10	10½	10	10½	11	14	13⅜	19	14⅛	16⅝	14	15½	14¾	16¾	14½	15¾	14⅜	14⅝	15½	19⅜	17¼	20¾	18	19¾
6s part paid 1968	8½	9¼	8⅝	9½	10¼	13	12½	17¾	13	15½	12⅝	15	14	15½	13¼	14⅞	13⅜	15	14⅝	17⅞	16⅝	19½	17	18⅜
Helsingfors (City) extl 6½s 1960	93⅝	93⅝	93⅝	93⅝	93⅝	93⅝	96½	96½	97	97	--	--	97	97	95	97	93	93	--	--	97	98	95⅞	97
Italian (Republic)—Extl 1-3s 1977	44	44½	44⅜	46¼	45¾	48	47¼	53⅞	51	53	46¼	52	48½	51½	48½	51	49	50¾	50	52½	51½	52⅞	52¼	54¼
Italian Credit Consortium for Public Works 1-3s 1977	42¼	43½	43¼	44	43⅞	47¼	46⅞	51⅝	50½	52	45⅛	51⅝	48⅜	51½	48½	50	49	50½	50	52	51¼	52¾	52⅛	53
7s series B 1947	76½	76½	--	--	82¾	82¾	--	--	--	--	--	--	87	87	--	--	89	89	--	--	--	--	--	--
Italian Public Utility Credit Institute 1-3s 1977	43	44⅜	43⅞	44⅞	44¾	48⅝	48⅜	54½	51	53	47¼	52	48¾	53¼	48¼	51¼	49	51⅛	49½	52½	51¼	52¾	52½	54
External 7s 1952	--	--	80	80	81¾	81¾	--	--	91	91⅛	90½	90½	--	--	--	--	--	--	90½	90½	--	--	--	--
Italy (Kingdom of) 7s 1951	78	78½	78½	79	82¾	82¾	85	92	91	91⅛	88½	89	87	89	87	89	87½	88½	90⅛	91	90	90	90	92
Japanese (Imperial Govt)—																								
6½s extl loan of 1924 1954	129	132	130	132	130½	132⅞	132¾	142	137⅜	140	130⅛	136	133⅛	135⅛	135	141⅛	140¼	143	142	143½	142	144¾	144¼	145⅝
6½s extended to 1964	77⅜	80	78½	81⅜	79⅝	81¾	80½	87⅛	83⅛	86½	79½	83⅞	81½	83¼	83½	86	85	89	85¼	88½	85¼	87½	86¾	88
5½s extl loan of 1930 1965	107	110	109⅜	111½	111	113	112½	121	118	121	113¼	119	115	115	117⅛	121¾	122	124⅞	123½	127½	126	127	127½	128
5½s due 1965 ext 1975	64⅛	67	66¾	70	69	71½	69	77	73½	76¾	70⅛	73⅞	71	73⅜	73¾	77	75⅜	78¾	77½	79¼	78½	80	78½	81
Jugoslavia (State Mtge Bank) 7s 1957	10¼	11⅛	10½	11½	13	14	15	17	15	15¼	--	--	14½	14½	15½	16½	15⅛	16	16⅝	17	16	17⅞	16	18
Medellin (Colombia) 6½s 1954	--	--	--	--	--	--	67	68	--	--	--	--	67¼	67¼	69	69	69½	69½	--	--	69½	70¼	--	--
30-year 3s $ bonds 1978	41⅛	42½	42⅜	43	43¾	44	42½	43¾	41¾	43	41¾	42	41½	43½	42¼	43	43	44	44½	44½	44	44¼	43½	44
Mexican Irrigation—																								
4½s new asstd (1942) agree 1968	8¾	9	9	9	9	9½	9¼	9½	9⅜	9½	9½	9¾	9	9½	9½	9⅝	9¾	9¾	9⅝	9⅝	9⅝	9⅝	9⅝	9⅝
4½s small 1968	--	--	--	--	9⅛	9⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Mexico (Republic of)—																								
5s new ass't (1942 agree) 1963	--	--	16⅜	16⅜	16½	17¼	16¾	16¾	16⅞	16⅞	17	17¼	16⅞	16⅞	17⅛	17¼	17½	17½	--	--	17¼	17¼	--	--
Large	16¼	16¼	--	--	--	--	--	--	--	--	--	--	--	--	--	--	17¼	17½	--	--	--	--	--	--
Small	--	--	--	--	--	--	--	--	17	17	--	--	--	--	16¾	17¼	--	--	--	--	--	--	17¼	17⅛
4s 1904 asstd to 1922 agree 1954	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
4s of 1904 new ass'td ('42 agree) 1968	8⅝	8¾	8⅞	9¼	9	9¼	9	9¼	9⅛	9¼	9⅛	9½	x9	9½	9	9⅜	9¼	9½	9½	9⅞	9⅝	9¾	9⅝	9⅝
4s of 1910 new assented (1942 agreement) 1963	--	--	--	--	14⅞	14⅞	14⅞	14⅞	15	15	15¼	15¼	15¼	15¼	--	--	15¼	15¼	16	16	15¾	16	16	16½
Small	14¼	14⅝	14⅝	14⅝	14⅝	15⅛	14⅞	14⅞	--	--	15	15½	15	15⅜	15	15½	15¾	16	15¾	16	15½	15¾	15⅞	16⅜
6s new ass't (1942 agree) 1963	--	--	18¼	18¼	r19½	r19½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Small	17⅜	17¾	--	--	18¼	18¼	18¼	18⅝	18⅝	18⅝	19¼	19¼	18¼	18⅞	--	--	--	--	--	--	--	--	--	--
Milan (City of) 6½s 1952	75	75	76	76	81¼	81¾	87	87	88	88½	82	88¾	85	88½	85½	85½	85½	88	89	90	89	90	90	92½
Minas Geraes—																								
External s f 6½s 1958	--	--	--	--	--	--	--	--	--	--	--	--	--	--	52	52	--	--	--	--	53⅛	53⅛	53⅛	53⅛
Stamped pursuant to Plan A (Int reduced to 2.125%) 2008	34½	36½	34½	34½	35½	36	35	35	35	35	35	35	--	--	35	35	34½	34½	34	34	34	34	34	34
External s f 6½s 1959	--	--	52	52	--	--	--	--	--	--	52	52	--	--	--	--	--	--	54	54	--	--	--	--
Stamped pursuant to Plan A (Int reduced to 2.125%) 2008	--	--	34⅜	34⅜	--	--	35	35	--	--	31½	35	31¼	31¼	35	35	--	--	--	--	34	34	34	34
Netherlands (King) 3¾s 1957	100	101	101	101	100½	101	101	101½	100	101½	100½	102	101⅞	102	100¾	101⅞	100½	100¾	101	101¾	101¼	102	101¼	101¼
Norway (Kingdom) ext s f 4½s 1956	99⅝	100½	99½	100⅛	99½	100¼	99½	100½	99½	100⅜	100⅛	101	100½	101⅞	100¼	101	101	101⅜	100½	101	99⅞	100⅛	100⅛	101
External sinking fund 4¼s 1965	99½	99¾	99½	99½	99½	100¾	100	101	100½	101½	99½	100½	100½	101¼	101	101⅝	101½	102¼	101½	102¼	101½	102¼	100½	102¾
4s sinking fund external loan 1963	99¼	99⅜	99¼	99¾	99¼	99⅞	99¼	99⅞	99⅜	100½	99¼	99¾	99¼	100⅛	100	101	100⅞	101¾	101½	101⅝	101½	102	99½	101½
3½s sinking fund external 1957	--	--	95⅛	95⅛	97	97½	97⅛	98	98	98	--	--	95½	97½	96½	96⅝	98	98	98½	98½	98	99	98	98
Municipal Bank extl s f 5s 1970	100⅜	100½	100½	100¾	100¾	100¾	100¾	101½	100½	100⅞	--	--	--	--	101½	102½	--	--	101¾	102⅛	101¾	101¾	--	--
Oriental Development Co Ltd—																								
6s external loan (30 year) 1953	115¼	120½	117⅜	120½	116½	119	118¼	125	121	124	117	121	118⅜	123¾	124	126⅛	125	126	126⅝	127¾	127¾	130½	130½	131
6s due 1953 ext 1963	69	73⅛	72¼	74	71¼	74¼	71⅛	76⅞	72¾	75⅝	70	73	71	73½	74½	75⅞	75	77	75¼	76⅜	75⅝	76⅞	76	79
5½s external loan (30 year) 1958	105	108¾	107	110	109	111	110	115	113¼	114⅛	107⅜	113⅞	111⅜	112¾	114	115¼	116½	117	118	118¼	119	120	119	120
5½s due 1958 ext 1968	63	66	65	69	66⅞	70½	68½	71	68⅛	71	64½	69	68½	68½	69	70⅝	70⅜	72	71	72½	71	71½	70¼	72
Oslo (City) 4½s 1955	99⅛	99⅛	99⅛	99⅝	99⅝	100	99⅝	100	99⅝	100	99⅝	100¼	99⅝	100¼	--	--	100	100½	100	100⅛	99¾	99¾	100⅛	100⅛
Pernambuco (State) 7s 1947	--	--	54	54	--	--	53½	53½	--	--	52	52	--	--	--	--	--	--	--	--	--	--	--	--
Stamped pursuant to Plan A (Int reduced to 2.125%) 2008	35⅜	35⅜	35⅜	35⅜	35⅜	38	--	--	34	34	--	--	--	--	31	31	31⅛	31⅛	31⅛	34	35½	36½	--	--
Peru (Republic) extl s f sec 7s 1959	48¾	51⅞	51½	51½	53¾	54¼	--	--	53¼	54⅛	51	51½	--	--	53⅜	54½	--	--	55½	55⅝	56	56⅝	55⅜	55½
Natl loan extl s f 6s 1st series 1960	48½	52	52	54	53½	54⅜	53⅝	54⅜	52¾	53¾	50	53	51⅞	53⅜	53⅜	54½	53½	55	55⅛	55⅝	55⅝	56⅜	54½	55½
Natl loan extl s f 6s 2nd series 1961	48¾	51	52⅞	54	53¾	54⅜	53½	54¼	52¾	54	50⅞	52¼	52⅛	53⅜	53¾	54¼	53½	55	55⅛	55¾	55¾	56⅛	54½	55½
Poland (Republic)—																								
Gold 6s 1940	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
4½s assented 1958	6¼	6¼	--	--	8⅜	8½	8½	11½	--	--	9⅛	9⅛	9½	9⅞	9⅝	9⅝	--	--	8	9	8	8	7⅜	7⅜
Stabilization loan s f 7s 1947	--	--	--	--	11	11	13½	13½	--	--	--	--	--	--	--	--	14½	14½	--	--	13	13	12½	12½
4½s assented 1968	5¾	6	6	6	7⅜	8⅞	8½	11½	9⅛	10⅜	8¾	11	11	11	9⅝	10⅞	9	10½	8	9¾	7½	8	7⅜	7⅜
External sinking fund gold 8s 1950	8¾	9	8	8	9	13	12	14	12	12¼	9½	10¾	11	13½	11⅝	13	--	--	12	12½	12½	12½	10	11½
4½s assented 1963	6¼	6½	6¼	6½	7½	8⅞	8	11½	9⅛	10	9⅛	9⅛	9½	10½	--	--	9⅞	9⅞	8⅝	8⅝	7¼	7¼	7¼	8⅛
Porto Alegre (City) 8s 1961—																								
Stamped pursuant to Plan A (int. reduced to 2.375%) 2001	37¼	37¼	37⅜	37⅜	37½	37½	38	38	37⅛	37¼	--	--	--	--	37¼	37¼	--	--	--	--	--	--	--	--
7½s 1966 stamped Int reduced to 2.25% 2006	36¼	36¼	36⅜	36⅜	36½	37	--	--	--	--	38	38	--	--	38	38	--	--	38	38	37½	37½	37¼	38
Rio de Janeiro (City) 8s 1946	58	58	--	--	--	--	--	--	58¾	58¾	--	--	--	--	--	--	55	55	56½	56½	56½	56½	--	--
Stamped pursuant to Plan A (int. reduced to 2.375%) 2001	37⅛	38	36⅛	37	38	38	37	37¼	37¼	37¼	33½	35½	34⅛	34⅝	33¼	34	34	35½	34⅝	35	35	35½	34¾	34¾
External secured 6½s 1953	51	51	50⅝	51	50½	50⅝	50¾	50¾	49	50	48⅛	48⅝	48	49	49½	50	49¼	49½	49½	49½	--	--	49¼	49¼
Stamped pursuant to Plan A (interest reduced to 2%) 2012	33⅛	34½	32⅛	34⅜	32⅛	33	32⅛	33	31¼	32⅛	29	30	29¾	30	31	31	30⅝	31¼	30¾	30⅞	30¼	30⅞	30¼	31
Rio Grande do Sul (State)—																								
External 8s loan of 1921 1946	--	--	--	--	--	--	--	--	--	--	68	68	67¼	67¼	68	68	68⅛	68½	--	--	68	68	--	--
Stamped pursuant to Plan A (interest reduced to 2.5%) 1999	45	45	44¼	44¼	44¼	48½	48	48	--	--	48	48	44⅜	45	43⅛	44	45	45	45¼	47½	44¼	44¼	44	44¼
External sinking fund gold 6s 1968	53	53	--	--	53½	53½	--	--	53¾	54½	54½	54½	53⅞	53⅞	54	55	54½	54½	54½	54½	--	--	56½	56½
Stamped pursuant to Plan A (interest reduced to 2%) 2012	36	37½	36	38	36	36½	36½	38	36	37	36	37¼	35¼	36½	34¾	36	35½	35½	36	36	35½	36½	36⅛	37⅛
External 7s loan of 1926 1966	--	--	56½	56½	57	57	57½	57½	--	--	56¼	56¼	--	--	57½	57½	--	--	--	--	--	--	--	--
Stamped pursuant to Plan A (Int. reduced to 2.25%) 2004	37	37	37	37⅛	37⅛	38½	--	--	36	38¼	34⅜	36½	34¼	34½	33½	34	--	--	34	36½	36½	38	37	38½
7s 1967 stamped Plan A (Int. reduced to 2.25%) 2004	--	--	--	--	37	37	--	--	--	--	37	37	--	--	35¾	35¾	--	--	36	36	--	--	--	--
Rome (City of) 6½s 1952	75	75½	76	76	79	79	84	87	87½	88	--	--	85	86	85	85½	86¾	86¾	90¼	90¼	90	90	92	92
San Paulo (City)—																								
8s extl secured s f 1952	--	--	--	--	--	--	--	--	75	75	--	--	--	--	--	--	--	--	76	76	--	--	--	--
Stamped pursuant to Plan A Int reduced to 2.375% 2001	--	--	52	52	--	--	54⅞	54⅞	56	56	52½	52½	--	--	49½	49½	50	51	--	--	58½	58½	--	--
External sec sinking fund 6½s 1957	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	69	69
Stamped pursuant to Plan A Int reduced to 2% 2012	49	49	49	49	--	--	50	50	50	56	--	--	--	--	--	--	--	--	--	--	53	57	--	--
San Paulo (State) 8s 1936—																								
Stamped pursuant to Plan A (interest reduced to 2.5%) 1999	75	79	--	--	75	76	74	74	71	72	65	67	70½	70½	--	--	63	64½	--	--	64½	64½	67⅞	71
External 8s 1950	87	87	--	--	--	--	--	--	--	--	84	90	91	91	--	--	86	86½	--	--	--	--	93	93
Stamped pursuant to Plan A (interest reduced to 2.5%) 1999	64	69½	62	64	--	--	--	--	62⅛	62⅜	61	68	68½	73	61	61	60⅝	60⅞	61	62⅜	63¼	63¼	62⅝	71
External water loan 7s 1956	--	--	--	--	62	62¾	62¼	64	--	--	--	--	79	79	--	--	--	--	--	--	--	--	--	--
Stamped pursuant to Plan A (intrest reduced to 2.25%) 2004	61½	62	61	66	65	66½	65	65	--	--	58⅞	60	--	--	60	64	65	68	--	--	--	--	60	60
External dollar loan 6s 1968	--	--	78	80	--	--	81	81	79½	79½	75	75	76	76	78⅞	78⅞	78⅛	79⅛	--	--	78½	78½	--	--
Stamped pursuant to Plan A (interest reduced to 2%) 2012	65½	69	59½	61	60	62⅛	61½	62	59¼	59½	56¾	68	68	73	--	--	--	--	--	--	61	62	64	70

For footnotes see page 24.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Serbs, Croats & Slovenes—																								
External secured 8s 1962	9½	10⅛	9¾	11	10⅝	13⅞	13¾	15⅞	12½	14	12½	13¾	13½	14¼	13¼	16	14½	15½	14⅞	16½	15	16⅞	15⅜	15¾
External secured 7s series B 1962	9¾	10¼	10	10¾	10½	13⅞	13¾	15⅝	12½	14	12¼	13¾	13	13¾	13	15¾	14½	15½	14⅝	16	15	16⅜	15¼	15¾
Shinyetsu Elec Power Co Ltd—																								
6½s 1st mtge s f 1952	127¼	131½	130	130½	130¾	130¾	132	140	139¼	140½	136½	138½	133	136	138	138½	--	--	--	--	141½	141½	143½	143½
6½s due 1952 ext 1962	80	81¼	--	--	80⅛	81	82	85½	86	86	80¼	84½	83	83	84¼	85¾	84¼	87	86½	87	86½	88	88	88½
Silesia (Province) external 7s 1958	8¾	9	8¾	9¾	11	12	12⅞	15⅛	--	--	--	--	12½	16	--	--	15	16	--	--	--	--	12¾	13
4½s assented 1958	6⅛	6⅛	6½	7½	7¼	8⅜	9½	11	9	9¾	--	--	10	10¼	11	11	11½	11½	9¼	9¼	9	9	9	9
Sydney Co Council 10-yr 3½s 1957	94⅜	94⅜	--	--	94½	97	95½	97	95½	95½	95	96¼	95¾	99	98¾	98¾	96¾	99	96¾	97⅜	97	98⅜	98¼	99¼
Taiwan Electric Power Co Ltd—																								
5½s (40 year) s f 1971	103	105¾	103⅝	107¾	105	106½	105⅛	111⅛	--	--	--	--	109½	110	113	115	--	--	117	117	--	--	--	--
5½s extended to 1981	60	63	61	63⅞	62¼	63⅞	61	65¾	63⅛	66	61¾	63¼	63⅞	64⅞	64⅞	67	67½	70½	68½	70⅜	68¾	68⅞	68	69½
Tokyo (City of)—																								
5½s extl loan of 1927 1961	106¾	109⅞	108⅛	111	109⅛	110½	110¾	117¼	115½	116½	111½	115	--	--	117	118½	117¾	118½	119½	119½	120	120¾	119	121
5½s due 1961 ext 1971	64½	65½	65½	69	67⅞	69¼	68⅛	72½	70⅛	72¼	69¼	71½	70	71⅜	70	72	70¾	72½	70¾	72⅜	70¾	72⅛	71½	73
5s sterling loan 1912 1952	55	55½	50	53	49¾	51	51	53½	52½	52½	49	50	49⅛	49⅛	50	50	50	55	54½	54⅞	53½	57	57⅛	59
With March 1 '42 cpn on	54	54	--	--	49	52	51	53½	49⅛	52½	49	50	50	50	--	--	--	--	--	--	--	--	--	--
Tokyo Electric Light Co Ltd—																								
6s 1st mtge $ ser 1953	121¼	124¾	120	125	119⅛	121½	120	128	124⅝	128	119	124½	121½	125⅝	125½	127	127	129	129	130	129¼	132⅝	132	136½
6s extended to 1963	71⅝	75¾	73⅛	75⅞	71¼	74	71	78	74	75	69¾	74½	71½	74½	74⅝	76	75	77	75½	77⅞	75½	78	77	81½
Ujigawa Elec Power Co Ltd—																								
7s 1st mtge sinking fund 1945	148½	151	149⅝	153	149	150	152	153	154	154	151	154	150	150¼	156	157	155¼	156⅞	158¼	158¼	159½	159½	161	161
7s due 1945 ext 1955	95	97½	96¼	98½	97⅝	98	97¼	98	98	98⅛	97	98⅞	98	98½	98⅛	100	98¼	99½	99½	100	99⅞	100	99	100
Uruguay (Repuublic of)—																								
Ext 8s 1946	--	--	--	--	--	--	--	--	--	--	--	--	--	--	164½	164½	--	--	--	--	--	--	--	--
Ext sinking fund 6s 1960	--	--	--	--	--	--	148	148	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
3¾-4-4⅛s ($ bonds of 1937)—																								
External readjustment 1979	83⅝	84⅞	84¾	87	86½	88½	87½	88½	85	89	85⅛	88	87	88¾	88¾	91½	89	92	88⅛	90	89⅜	91	89¾	91¼
External conversion 1979	--	--	--	--	84	85	88	88	83	84	85	85	84½	85	84¾	87½	--	--	88	88	88	89½	88	88
3⅞-4⅛-4 3/16s external conv 1978	82	84⅛	85½	86	85	85	86	86⅛	86	90	86	86¼	88½	90	88⅝	88⅝	90	90	95½	97	--	--	--	--
4-4¼-4½s external readjust 1978	91	95	95	95½	94	95	95	96	94	95¼	94	96	95⅞	97½	95½	97	95	96	95⅛	95¼	95⅞	97	95¼	98½
3½s external readjustment 1984	73	73	--	--	70	70	69	71	67½	67½	64¼	64¼	64½	65⅛	70	70	73	73	80	80	82	82	--	--
Valle Del Cauca—																								
See Cauca Valley (Dept of)																								
Warsaw (City) external 7s 1958	8½	9	8	8⅞	9½	10⅞	11	13½	11½	13	9⅝	12	11⅝	14	--	--	13	14	14¼	14¼	13½	13½	12½	12½
4½s assented 1958	6½	6	6	6½	6¼	8½	7½	10¾	7¾	8¾	7¾	9	8½	9½	8¾	9	8	8½	7½	8	6⅞	6⅞	6⅛	7
Yokohama (City of)—																								
6s external loan of 1926 1961	111	117	114⅛	116	114⅝	116½	115	124½	120	122½	116	119	118	118	123½	125	125	126⅝	126½	126½	126½	126½	129⅝	130
6s due 1961 ext 1971	66⅞	70	69⅜	70½	69⅜	70½	69½	76	72¼	74	70	72	71⅜	72¾	74¾	76	75	76¾	76⅜	77⅞	76	78⅞	77¾	78⅝
Railroad and Industrial Companies																								
A																								
Ala Gt South 1st m 3¼s ser A 1967	100¾	100¾	--	--	100⅜	100⅜	--	--	101½	101½	100	101	--	--	--	--	100	100	--	--	--	--	--	--
Alabama Power 3½s 1972	103	104¼	102½	103	102½	103	99½	102½	96	98	97½	97½	98⅛	99	100	100½	100	100¼	100¼	101¾	102½	103	101⅛	102¼
Albany & Susquehanna 1st 4½s 1975	--	--	--	--	105¼	105¼	105¼	105½	105½	105½	103	104	--	--	103	103	103	103	102	102½	102	102	101	101
Alleghany Corp 5s debs series A 1962	95	98½	96¾	99	97½	99½	96½	98	95⅝	97½	94⅛	97	96	97	96⅝	97½	96⅞	97¼	97	98½	98⅜	99	98¾	99¼
Allegh & West 1st gold guar 4s 1998	77	80	77	77	77	77	75	77	75¼	76	75⅛	75⅛	70¼	72	71½	73	--	--	70½	71½	71⅛	71⅛	71½	71½
Allied Chemical & Dye—																								
3½s deb 1978	--	--	--	--	--	--	99	99⅜	98	99½	97¼	100	99⅞	102¼	100	102⅛	99¾	102	102	103¼	102½	103½	103¼	104½
Allis-Chalmers Mfg 2s debs 1956	97½	97½	97⅜	97⅜	97⅛	97⅛	97	97	97	97⅛	96	96	96½	97	--	--	95¾	96½	97	97⅝	--	--	97¾	98½
Alum Co of Amer 3⅛s 1964	100¼	102½	100½	101⅝	100	101¼	99⅛	100⅜	99⅛	100	97¾	99⅞	99½	100¼	99½	100¼	99½	100¼	100	103¼	100⅞	103	101½	102½
Alum Co Canad Ltd 3⅞s debs 1970	104	104¾	101½	104	102	102⅝	100⅞	103	100¾	102¼	100¼	101¾	101⅜	102	101⅞	102½	102	103	102⅞	104⅞	104¼	105	104	104¾
American Airlines 3s debentures 1966	94	94	92⅞	93	93½	94	93	94¼	--	--	--	--	86	86	88½	90	86½	90	90	91	91½	93	93	93⅜
Amer Bosch Corp 3¾s debentures 1964	100	100	100	100	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Amer & Foreign Power deb 5s 2030	79	82	80	84¼	82¾	86½	78½	84	78⅞	83	76¾	81⅛	77½	79⅝	78	80¾	77	79½	79	82¾	79	81	76¼	79⅝
4.80s junior debs 1987	64⅝	65⅞	64⅝	67¼	67¼	69	64¼	68	65	68¼	64¼	66⅞	65¼	66¼	64¾	66⅞	61¾	64½	63⅞	65⅞	64¾	66	61½	65¼
American Telephone & Telegraph—																								
2¾s debentures 1980	90⅛	92¼	89½	91⅛	88½	90¾	85½	90	85½	86½	84½	87½	87½	89¾	86⅞	88⅞	86⅝	89½	89	92⅛	90¾	92⅜	90¾	92⅛
2¾s debentures 1975	92⅝	94⅛	90¾	92½	90⅞	93¾	88¼	92	88	90	87¼	90	90	91⅝	88½	91¼	89	92	92⅛	94	92	94	91¾	94⅛
2⅝s debentures 1986	86⅝	88⅞	85⅞	87⅛	86½	87¾	83⅛	87	82½	84¾	80½	83½	83⅝	86¼	83	85	82⅝	86½	86¼	89	87	88½	87	88¼
2¾s convertible debs 1961	114½	116⅞	113¼	115⅜	111⅞	115⅝	108⅜	112	109	111¼	108¼	109⅞	109	110⅜	108½	110½	108⅜	110	108¼	111¾	109¾	111⅝	111⅜	112⅞
2¾s debentures 1982	90	92	89¾	91	88¾	90½	86	90¼	86⅛	87¼	84⅞	87½	88½	90	86½	88⅜	86¼	89	89⅛	91¾	90½	92½	91	91¾
2⅞s debentures 1987	90¾	93⅝	91	92	90¾	91¾	87½	91¾	87⅛	87¼	84½	86⅜	88	90½	87	90	86⅞	90¼	90½	93¾	91¼	93⅞	91⅛	93⅛
3⅜s debentures 1973	102¼	104⅛	102	103¼	101¼	103⅜	98⅛	101⅞	98	100¼	97½	99⅞	99⅛	100¾	99	100	99	101½	101¼	103	101⅞	103	101¾	104⅛
2¾s debentures 1971	93¾	95	93	94⅛	93	94⅝	90⅛	93½	89½	91¼	89	93	92⅞	93¾	91⅜	93¾	91⅜	92½	93	95⅜	94¼	r96¼	93¾	94⅝
3⅜s conv debs 1963	120⅜	123	119¼	121⅜	117⅝	121½	114¼	117¾	114¾	117	114⅛	115¾	114⅞	116¼	114¼	116¼	114¼	115¾	115⅜	117⅝	115½	117½	117¼	118¾
3½s convertible debs 1964	122⅜	125	121¼	123½	120	123½	116¼	120⅛	117	119	116	117¾	117	118¼	116½	118⅜	116¼	118¼	117⅜	119¾	117½	119⅝	119¼	120¾
3¾s conv debs 1965	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	116⅛	118	117⅝	119⅜
American Tobacco debentures 3s 1962	100¼	101⅜	100½	101¼	101	101⅛	99	100¾	98¼	100	96	99⅛	98¾	99¾	98¼	110¼	98½	100¼	99¾	101⅜	99½	101¼	99	100¼
3s debentures 1969	99⅛	100¾	98⅝	100¼	98¼	100½	95½	99	95¼	97	95	98	97	98	96½	98	96½	97½	97	98⅝	98½	99⅜	96¼	99⅜
3½s debs 1977	100½	101⅞	98¾	100⅝	98¾	99¾	96½	98¾	96	97	95¼	96⅛	96¼	97⅞	96¾	97⅞	97⅜	97⅞	97	100⅞	99½	101¾	98¼	100
Anglo Lautaro Nitrate Corp—																								
1st mtge 4s Dec 31 1960	94½	95	93	95	90¼	91⅛	91½	92	91¾	93	91¾	92	91¾	91¾	92	92	92	93	92	92	92¾	92⅞	94	96
Anheuser Busch 3⅜s debs 1977	100⅞	101	100½	101¼	100	100	99½	100¼	--	--	98	98	98	98¾	99¼	100	--	--	98¾	100½	100½	100½	100¼	100½
Ann Arbor 1st gold 4s July 1995	83	83½	83	83¼	83	83	81	81	80	80	79⅛	79⅛	79⅛	80	77	79	80⅜	80⅜	79	79	78¾	78¾	79	80
A P W Products 5s 1966	--	--	92	92	92	92	--	--	87	87	--	--	80	80	--	--	--	--	--	--	--	--	--	--
Associates Invest 3⅜s 1962	101	101¾	101	101⅜	99⅞	101⅛	99¼	100	98⅞	99⅝	97⅞	98	98	99⅝	99⅝	100¼	98½	100	99	100¼	100	101	100¾	100⅞
Atchison Topeka & Santa Fe—																								
General 4s 1995	117	120¼	116¼	118½	113¾	117⅛	109¾	115	108	110½	106	109	109⅜	111½	109½	112½	109⅛	112½	113⅛	115½	114½	116½	114½	117½
Stamped July 1995	111	112¼	110¾	112	111	112	106½	111	100½	101½	100⅝	101½	101½	105½	104⅞	107	104½	106	105⅝	109⅛	109½	111½	108½	111½
Atlanta & Char Air Line—																								
1st mtge 3¾s 1963	102	103¼	102	102⅝	102	103	102⅝	102⅝	99¾	102	100½	100½	100	101¼	100	100	101	101	101½	102	100½	100½	--	--
Atlantic Coast Line—																								
General unified 4½s series A 1964	105¾	108	106⅝	108	106⅛	108⅛	103⅝	106⅛	103⅜	105	104¼	105	104	105½	104½	105½	104½	105¾	105¼	106⅜	105½	106½	106	106⅝
General mortgage 4½-4s ser A 1980	100⅝	101⅛	101	101⅝	101⅛	102½	101	101⅛	100½	101	100¼	100½	98¾	99¾	98½	98¾	97	97½	97	100	99½	100	100	101½
4½s series C 1972	103½	104¼	103½	103¾	103⅝	104	102½	103	102½	102⅞	99¾	102½	100⅛	102	102	102⅛	100⅛	102	100⅜	102⅛	102⅛	102⅝	102⅝	103
Atlantic Refining 2⅝s 1966	95½	96⅜	95	96	95⅞	96¼	95⅛	96	95	96½	93½	95	--	--	94	95	94⅝	95	94¾	94¾	96	96½	95¼	97½
B																								
Baltimore & Ohio RR—																								
1st mtge 4s series A July 1975	95½	96¾	95	96½	95⅝	96¾	92½	96⅜	90	93¼	86⅜	92¾	91½	93½	88⅜	92¾	87⅛	92½	91	96¼	93⅝	95⅞	93¾	95⅛
1st mtge 5s ser B (4% fixed and 1% cont int) July 1975	98⅞	101¾	99½	101¾	100½	102	x96¼	101	94	97	92	98	96⅝	98⅝	95½	97¾	95⅜	98	95½	101	99	101⅞	99⅜	101
(2% fixed and 3% contingent interest)																								
Series G due Dec 1 1995	80⅛	83	79	82½	80¼	85	x75	82	75	79	73½	77⅛	75	76⅞	74⅜	77	72¾	75¼	73⅛	76	75	78	75	77
Series K due Mar 1 2000	80	83	79	82⅜	80	85	x75⅛	81¾	75⅛	78½	74	76⅝	75	77	74⅝	77	72¾	75	73⅛	75¼	75⅛	77¾	75	77
Series M due Mar 1 1996	80	83	79	82½	80⅛	85	x75⅛	81⅝	75⅜	78¾	73⅝	76½	75	76¾	74⅝	77	72¾	75	73⅛	75¼	75⅜	77½	75	76¾
Ref & gen mtge 6% (2⅜% fixed and 3⅝% contingent interest)																								
Series J due Dec 1 1995	90¼	93	91	94½	92½	95	x85	92	85½	87⅞	84	86½	86	87½	85¼	88½	83	85½	84	88½	87½	89¾	84¾	89½
Conv 4½s inc Feb 1 2010	72	74	71	74¼	72½	75½	x66⅛	73¼	66½	68⅜	65¼	67⅞	67	68¾	67	69¼	64	67¼	65¼	68	67⅛	69½	66¼	68¼
Pgh Lake Erie & West Va—																								
Ref 4s series A 1980	94	96	94	95½	95	96½	92	95⅝	88	92¼	86	91½	90⅝	92½	89½	92	87	91⅛	91	95	92	95	92	95
Southwestern Division—																								
5s (3½% fixed and 1½% contingent interest) 1980	86	88½	85	86½	85⅜	87¾	x81⅛	86¼	81	84	80	84	82¾	84¾	82⅛	84½	79	83	79½	82	81¼	83⅞	82½	83⅝
Toledo Cincinnati Division—																								
1st mtge 4s series D 1985	84	86½	84	86	83	84¼	78	82	78½	80	75⅞	79	78⅝	79¾	76	79½	76	79½	78½	80½	80½	81¼	81	82½
Bangor & Aroostook 4½ conv 1976	91½	93	91¼	93	92	93¼	91⅜	93½	88⅛	91½	86½	88½	88½	92⅝	90	92½	90¼	91	89¾	92	89	90¼	90	92
Bell Telephone of Pa 5s ser C 1960	110½	111½	109½	110½	108	110¼	107⅝	109	107¾	108¼	107	108	107½	108	107½	108½	107	108	107¼	108¾	108	108¾	107⅝	108⅞
Beneficial Industrial Loan 2½s 1961	95	95	95¼	95½	94¾	95½	92½	94⅝	93	93	--	--	92	94	91	92	91¼	92	93	94½	94½	94¾	93½	94
Beneficial Loan Corp 4¼s deb 1973	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	104	104¼	104	104¾
Bethehem Steel Corp—																								
Cons mtge 2¾s series I 1970	95	96	94⅛	96	94⅛	95	90⅝	94¼	90	91½	88	93	92¾	94⅛	93¼	94⅛	92	94	93¼	96	94¾	96¼	95⅝	97⅛
Cons mtge 2¾s series J 1976	--	--	95	95¼	--	--	--	--	--	--	--	--	93	93	91¾	92½	92⅝	92⅝	93	93⅛	93½	93¾	95¾	96
Cons mtge 3s series K 1979	99	100½	99	99⅜	98½	99½	97¾	97¾	92	92	--	--	93½	95	95⅜	96¼	95¼	95⅜	95	96¼	96½	97¾	97⅝	97¾
Borden Co 2⅞s debentures 1981	97	98	96	96	94½	95⅞	92½	94½	91	93	93¾	93¾	94⅛	94⅛	94	95	92	92¼	--	--	--	--	97¼	97⅜
Boston & Maine 1st 5s A C 1967	79½	81½	80	81½	80¼	81½	79½	81	77	82⅝	81	82	79¾	81	--	--	80	81½	80	81	80½	81	80	81
1st mortgage 5s series II 1955	--	--	101	101	101	101	99½	100	--	--	99	100	100	100	99¼	99¾	99½	99¾	99½	99½	100	100⅛	--	--
1st 4¾s series J J 1961	73¼	73½	74	74	74¾	74¾	77	77	--	--	--	--	--	--	77	77	76½	76½	76	76	75	75¾	75¾	75¾
1st 4s series RR 1960	72	77½	74¼	77¼	74⅛	77½	74	75⅝	73⅞	75⅜	70	73⅞	71⅛	75	70⅛	74½	70⅛	71¾	70¼	71¾	70½	71¾	70	71⅞
Income 4½s series A 1970	59	62⅛	61⅝	62½	61	62⅛	58½	61¾	x55½	59½	55¾	58⅛	55¾	59	57½	58¾	55	57⅝	55	58½	55¼	58	56⅜	57½
Bristol Myers Co 3s debentures 1968	--	--	--	--	--	--	--	--	--	--	--	--	--	--	97	97	96½	96½	96½	97¾	98⅝	99⅛	--	--
Brooklyn Union Gas gen mtge 2⅞s 1976	92	94¼	91½	92	87½	88¾	85	85	85	87	83½	85	84	85½	--	--	86	89	90	93	91⅛	92⅛	91¼	92⅛
4s sinking fund debentures 1969	103¾	104¼	104¼	104½	103⅛	104¼	103	103	--	--	--	--	--	--	99½	99½	--	--	101½	101½	101½	102¼	101	102¼
First mortgage 3s 1980	96½	96½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

For footnotes see page 24.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
Brown Shoe Co—																								
3½ debentures 1971	--	--	--	--	--	--	--	--	99	100½	--	--	--	--	--	--	--	--	102	102	102	102	100	100
Buffalo Niagara Electric 2¾s 1975	93½	94¼	91⅞	93⅝	92¾	93⅜	90	90⅝	89	89½	89	90¾	90	91	90¼	92	90½	91⅛	91¾	94½	94	94¾	93⅜	94
Buffalo Rochester & Pgh Ry—																								
Stamped modified (interest at 3% to May 1 1947) due 1957	85	88⅛	86	89½	88⅜	90	88½	89⅝	84¾	88½	81½	85¼	83⅝	85	84⅜	85¾	83⅜	85⅛	83⅝	86⅝	86⅝	88½	86⅛	87½
Bush Terminal Consolidated 5s 1955	100	100½	98	100	98¾	100½	100	101	100	101	100	100¼	100	100⅛	100	100	100	100½	100	100½	100½	101	100⅛	100½
Bush Term Bldg stamped 1st 5s 1960	105	105	104¾	105	104¾	104¾	104⅝	104⅞	104⅝	104¾	104	104⅝	104	104	103⅞	104	103	103⅛	103	103	103	103⅝	103¼	103½
General mortgage 5s inc 1982	82	83	82⅛	85½	84¼	86	83½	86	83⅝	85½	x82	85	--	--	81¼	82	76¾	78	78½	79	79	79⅝	81	83

C

BONDS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
California Elec Power 3s 1976	95¼	95½	95¼	95¼	--	--	--	--	--	--	--	--	91	91	--	--	89⅛	91	92	92	92½	92½	91⅛	92⅛
Calif-Oregon Power 3⅛s 1974	97	97	96	96⅞	95⅝	96	--	--	--	--	85⅛	85⅛	87	87⅛	91	91	--	--	92	95	--	--	96¼	96¼
Canada Southern cons gtd 5s A 1962	105⅛	106⅞	105½	106½	105¼	106¾	105¼	106⅛	105⅜	106⅜	103½	105¾	104¼	105¼	105	106⅝	105⅞	106⅝	105⅞	106¾	105¾	107½	105¾	106¾
Canadian National gold 4½s 1957	106⅝	107⅝	106¾	107⅜	105½	107½	105½	106¼	105	105½	104½	105¼	104¾	105⅝	105¼	105⅞	105½	106	105⅝	106¼	105¾	106¼	106	106¾
Guaranteed gold 4¾s June 15 1955	105¾	106⅜	105¾	106¼	104½	105⅜	104¾	105½	103⅝	104⅛	103½	104¼	103¾	104⅜	103⅞	104	103½	104⅜	103¾	104	104	104½	104⅛	104¾
Guaranteed gold 4½s 1956	105¾	106¼	105⅜	106¼	104½	105¼	104¾	105¼	103¾	104⅞	103⅜	104¼	103¾	104⅜	103⅞	104⅛	103⅞	104⅜	103¾	104½	104	104½	104¼	105⅜
Canadian Pacific—																								
4% debenture stock (perpetual)	102	103⅜	102½	103⅜	102¾	105	101¼	104¾	99½	101½	97½	100⅝	98¾	103	102½	103¾	102	103⅝	102½	103½	102½	103¾	102½	103¼
Capital Airlines Inc 4s series A 1960	--	--	97	98½	97½	98	96½	96½	97	97	94	94	97	97	97	97	97	97	98	99	98	99	97	97
Carolina Clinchfield & Ohio 4s 1965	104½	105⅜	106⅜	106½	105	106¾	105⅛	105¼	105	105½	101½	105⅛	101⅜	102⅛	102½	102½	102¼	102¼	104½	105	104¼	104¾	104⅜	105
Carthage & Adiron 1st gtd 4s 1981	63	69	66	67	66	66	67	67	--	--	60	60	60⅛	64	61¼	65	62	62	60½	63	62½	62½	63½	63½
Case (J. I.) Co. 3½s 1978	--	--	--	--	95	95¾	94½	95¾	92½	93⅝	95	95	96	97¾	97	97¾	96⅜	96⅜	96¾	98½	96	98⅜	94¾	95
Celanese Corp of Amer deb 3s 1965	97	98⅜	95¾	97⅞	96½	97⅞	94¼	97½	93	94½	92	92	91⅞	94	92⅞	94	92¾	93¼	93	94	91½	93½	90½	91⅛
3½s debs 1976	100½	101⅝	100	101¼	99	100½	97⅛	99½	97⅝	97⅞	97½	97½	96	96	96	96⅞	96⅜	97½	--	--	96¼	97½	96½	97
Celotex Corp 3¼s debentures 1960	--	--	98	98⅜	98	98	98	98	98	98	98	98	98⅝	98⅝	--	--	98½	100	--	--	--	--	98	98
3¼s debentures (issue of 1947) 1960	--	--	98	98	--	--	98	98	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Central Branch Union Pac 1st 4s 1948	--	--	--	--	105	105	98	98	--	--	97½	97½	91½	93	--	--	--	--	--	--	--	--	93	93
Central of Georgia Ry—																								
1st mortgage series A 1995	81	84	81⅛	85	79	83½	75	80	75	79	77	79½	79½	81¾	80½	81½	77	79½	79¼	82	80	81¾	80¼	81
General mortgage 4½ ser A 2020	82⅝	85	86⅜	86⅜	86⅜	90	85	85	81	81	81	82⅜	--	--	--	--	82¾	82¾	--	--	82¾	84	85¼	85⅛
General mortgage 4½ ser B 2020	70⅛	73	72	74½	72	75⅜	x62	71	64½	68½	64⅞	68½	66	70	68	70	65	67½	66	71	68	70	66⅜	70
Central of N J gen mtge 3¼s 1987	55⅝	57⅜	56	62⅜	57¾	62¾	53¾	58¼	54½	56¼	52¼	56	54⅜	56⅞	54⅞	57	51	54¾	51¾	54½	52⅜	54⅜	50¾	52¾
Central N Y Power 3s 1974	98¼	98¼	96½	97	97¼	98	93	98	90½	91⅝	90¼	92½	92½	94⅝	94½	96	93	95¾	95½	95½	96⅝	98	96¾	99½
Central Pacific 3½s series A 1974	100¾	100¾	100¾	101	101	102	100	100⅛	99	99	--	--	97½	97½	--	--	--	--	--	--	98	98	97	97
3⅝s series B 1968	101	102½	101¾	102⅜	102	103	102	102⅛	100	102⅛	99	99	99¼	99½	99	99	99	99	98	100	100	100	100	100
Champion Paper & Fibre deb 3s 1965	99½	99¾	--	--	99⅜	99⅜	97	99¼	96	96	--	--	--	--	--	--	--	--	97½	98	96⅝	98	96⅝	96¾
Chesapeake & Ohio Ry—																								
General gold 4½s 1992	119	120½	115½	118	116½	116¾	112	116¾	108½	111	109⅜	112	112	113½	112⅛	114	112½	113¼	114⅜	118¾	116½	119	116½	116¾
Ref & impvt 3½s series D 1996	98¼	100½	97	99¾	97¼	99	93½	97⅜	89½	93½	89	90½	90⅛	94	93	95	92½	94¾	94½	97½	97	98⅜	96½	98¼
Ref & impvt 3½s series E 1996	98¼	100¼	97⅜	99	97¼	98¾	94	97¼	89⅝	93½	89½	91	90⅞	94	93¼	95	93	94½	95	97¾	97½	98¼	96½	97⅛
Ref & impvt 3⅞s series H 1973	103	104½	103	104⅛	103¾	104¼	101½	104	100¼	102⅛	99½	100¼	100	101	101¼	102	101¾	103¼	102⅝	103¼	103	103¾	102½	104⅛
Rich & Alleg Div 1st cons 4s 1989	111½	112½	111	111	111	111	--	--	102	102	99¼	100	--	--	--	--	--	--	--	--	--	--	103	103
2nd consolidated gold 4s 1989	109	112	108	108	--	--	--	--	102	102	99	99	100	101	--	--	--	--	--	--	--	--	--	--
Chicago, Burlington & Quincy—																								
General 4s 1958	104½	105½	105	105½	104	105½	104¾	105½	102	105	100	103⅛	102	103½	103	103⅞	103½	104¼	103⅜	104¼	103½	104⅜	104½	105
1st & refunding mtge 3⅛s 1985	96⅛	97½	96	96	96½	96½	96½	96¾	96	96½	94	95	90	90½	--	--	90½	90⅝	90⅝	92⅛	92	92⅜	92⅜	92⅜
1st & refunding 2⅞s 1970	94½	96½	95	95	93	94	88½	94¼	89	92	91½	93	93	94¼	93	93⅛	88¾	90	91½	93¾	94⅝	94¾	93½	94⅛
1st & refunding mortgage 3s 1990	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Chicago & East Illinois Ry—																								
General mtge income (conv) 1997	97¾	102¾	97	101	97⅜	103¾	86	94	87⅛	92	85¼	90⅛	88½	90	84¼	89¼	79¾	84	77	80	79½	82	79	80½
1st mtge 3¾s series B 1985	83	84¾	81½	83	81½	82½	82	82	--	--	--	--	78½	78½	75¼	78¼	74	74	75	76	76½	76⅝	71	77½
Chicago & Erie 1st gold 5s 1982	116	116	116¼	116¼	116¼	116⅜	116	116	115	116	115	115	--	--	--	--	--	--	110	110	115	117	--	--
Chicago Great Western 4s ser A 1988	89⅛	95	90	91½	91⅛	92½	86	91¾	81⅞	86⅜	79	81⅞	81	85	84	84⅛	78⅜	81½	78½	82	81	82	78¾	83⅞
General mortgage 4½s 2038	84	85½	82	84	•80½	84	79½	80½	77½	77½	74⅞	79¾	75	77	75⅝	77⅞	72¾	77	72	72⅝	72	73½	72	75
Chicago Indianapolis & Louisville—																								
1st mtge 4s ser A 1983	69¼	72	70⅛	72⅛	70⅜	72½	66½	68	64½	66½	63	66	66½	66½	64¼	66¾	64	64½	64	65	62⅞	65½	61½	63
2nd mtge 4½s ser A 2003	67	69⅜	69¼	71	68½	71	60	x63½	61	62	61⅜	63	62	63	62⅛	63⅝	60¼	61¼	60¼	61	60½	60⅞	58	60
Chicago Indiana & South 50-yr 4s 1956	99¾	100¼	101	101⅜	101⅛	102	100	101¾	100	100½	99¾	100¾	99	99¾	100	100¾	100	100½	100⅛	101¾	100½	101⅛	100½	101¾
Chic Milw St Paul & Pac—																								
4s series A 1994	98¾	98¾	98¾	99⅜	97½	98¾	95¾	98¼	94	96	92½	94¼	93	95¾	95	96	94	95½	96½	96¾	96¾	97½	96¾	97⅛
4½s series A 2019	79½	80¾	79⅛	80¼	78¾	80½	77¾	79¼	75½	77½	74	77	75	76½	72½	76⅛	71⅝	72½	70½	72½	66¼	70½	65	66½
4½s conv inc series B 2044	65¼	67½	65½	66⅞	64	67	60¼	64½	62¼	64½	59½	62½	62	63	60	63½	57½	60⅝	57⅝	60¼	56½	59	52¾	57
Chicago & North Western—																								
2nd mtge conv inc 4½s 1999	62	63⅛	61⅝	63⅜	61¾	64	59	62⅛	60	63¼	59½	62	60½	62¾	59¼	62¾	56½	60⅛	57⅛	58¾	54⅞	58	53¼	56¼
1st mortgage 3s series B 1989	77½	77½	76	77½	74⅞	75½	--	--	75	75	--	--	--	--	--	--	73	74	74	74	73½	73½	71	72½
Chic Rock Island & Pacific Ry—																								
2⅞s series A 1980	93	93	--	--	--	--	89½	89½	--	--	--	--	89	90	88⅜	88⅜	89	90	--	--	--	--	96½	96½
Chic Terre Haute & S'eastern—																								
1st & ref 2¾-4¼s 1994	78	78	77	77	78⅛	78⅛	72¼	75½	71⅛	73	70	72	70¾	70¾	70¼	71½	70¼	70⅜	70	71	71	71	69¼	71
Income 2¾-4¼s 1994	76½	78	76⅝	77½	73¾	74½	70⅛	72½	68	69¾	67	68¼	67¼	68¾	67⅜	69⅝	67⅝	68½	67	67¾	66¾	67¼	67¼	68½
Chicago Union Station—																								
1st 3⅛s series F 1963	100½	101½	101⅜	103⅛	102	102¾	100¾	102¾	98½	100⅛	95½	98⅝	97½	100	99⅝	100	99⅞	100⅝	99½	101¼	100½	101¼	99½	101¼
1st mortgage 2⅞s series "G" 1963	98¼	99	99	99½	98⅞	99½	97½	99¼	94	98¼	93¾	97½	97½	98	97½	97½	95	96	97	100	99½	100	98	100
Chicago & Western Indiana RR—																								
Col trust 4⅜s 1982	105½	106¼	105⅝	106	105½	106¼	102	105½	101⅛	104⅝	102⅞	104	103¾	104¼	104	104⅝	103¾	105	104	105	105	105½	105¼	105⅛
Cincinnati Gas & Elec 2¾s 1975	94	95¼	93¼	94½	91⅛	93¾	89½	92	90⅛	91½	91½	92	91½	92¾	91½	92½	90¾	93½	93⅝	94¼	94⅜	95⅝	94¼	95
1st mtge 2⅞s 1978	--	--	--	--	--	--	--	--	91¾	93½	91	92	--	--	--	--	--	--	--	--	--	--	--	--
Cinn Union Term 1st m 3⅜s ser E 1969	103½	103⅞	103½	103½	103⅜	103¾	102½	103½	--	--	102½	103	101¼	102	102	102	101¼	101¼	101½	101½	101¾	102	101⅞	102
1st mortgage 2¾s series G 1974	95	96	95	96¾	95	95¼	--	--	90	90½	86	90	93⅞	94¼	93⅜	93⅜	92	93⅜	92⅛	94	95	95¼	93⅞	95⅛
CIT Financial Corp 2⅝s 1959	97½	98	97¾	98¾	97¾	98⅝	96	97	94½	96¼	92½	95	96½	97½	96½	97	95¼	96½	96¼	98	97½	98½	97⅜	98⅞
Debenture 4s 1960	--	--	--	--	--	--	--	--	--	--	--	--	102¼	103¼	100¾	103¼	101⅛	103	102¾	104½	103	104⅜	103	103¾
Cities Serv Co 3s s f deb 1977	91¾	96½	93	94½	91¾	94¼	90¼	93	87¾	90¾	86½	88½	88⅛	91	89¾	91¼	89¼	91½	91⅞	95	92⅞	95	93¼	95
City Ice & Fuel 2¾s 1966	--	--	--	--	94	94	--	--	--	--	--	--	96	96	--	--	92	92	93¼	93¼	--	--	93¼	93⅛
City Investing 4s 1961	96	99	98½	98½	98½	98½	98¼	98½	--	--	98¼	98¾	96⅛	96¼	--	--	96¼	97	97	97	--	--	97⅜	98
Cleve Cinn Chic & St L gen 4s 1993	85	85⅛	85¾	85⅞	85	85¾	82	85	--	--	78⅝	80	78	80	80	81⅛	81⅛	81⅝	81⅛	83	82½	87	82	88
General 5s series B 1993	103½	104	102	102	--	--	--	--	--	--	100	100	--	--	--	--	--	--	100	100	100½	100½	101¼	101¼
Ref & impt 4½s series E 1977	74	79¾	75⅜	78¾	73¾	76	71½	74½	71⅜	74½	69¾	73¾	71¼	74¾	71¾	74½	69¼	72	71½	73⅝	70⅜	72½	70⅜	72¼
Cinn Wabash & M Div 1st 4s 1991	66	69	67⅛	69	65	68½	63	68	63⅛	65	64	65	64	66	65½	66¼	61⅝	63	62	63½	62½	65	61½	63
St Louis Div 1st coll trust 4s 1990	90	90	90¾	92½	90⅛	90⅛	90¼	91⅝	90¾	91	91½	91½	90	91¾	--	--	88½	88½	88	90	90	90⅜	90½	93
Cleveland Electric Ill 3s 1970	100¾	102⅛	99⅛	100⅞	99	101¼	96	99¼	95⅛	98½	96⅝	98¼	97¼	99⅞	99	100¼	98½	99¾	99⅜	101	99	101	99¼	100⅞
1st mortgage 3s 1982	--	--	--	--	100	100	94	94	94⅛	94⅛	93	93	--	--	93	93	--	--	95½	95½	95½	95½	--	--
1st mortgage 3⅜s 1986	104¾	105¾	105	105¼	103⅞	104⅞	--	--	100	100	100	100	99½	99½	99	99⅞	99½	100	100¼	100⅝	101⅝	101⅝	102	103⅜
First mortgage 2¾s 1985	--	--	--	--	93½	93½	--	--	92½	92½	92½	92½	--	--	--	--	--	--	93	93	93¾	94	--	--
Cleveland Short Line 1st 4½s 1961	100	100	99¾	100¼	100	100	100	101½	99¾	100⅛	98⅝	100⅛	99½	100¼	100	101	100	100⅛	99¾	100¼	99¾	100¼	99¾	100⅜
Colorado Fuel & Iron Corp—																								
4¾s conv debs 1966	102	103¼	100	101½	99¾	101½	96¾	99¾	96¾	100	96½	99	97	99	97¼	98¾	94½	97½	95½	97½	97⅛	98	96½	97⅞
Columbia Gas System Inc—																								
3s debentures series A 1975	94½	94½	96⅜	97	96¼	96½	95	96	92	93	90	92	92	92⅝	93	93	91½	92¾	93⅝	95¼	94	95¼	94	94½
3s debentures series B 1975	95	95⅞	95⅜	97¼	96	96½	93	96	--	--	91	91⅜	91½	92½	91	92¼	91	92½	93⅝	93⅝	94⅛	95¼	94⅜	95½
3⅜s series C 1977	98⅝	99¾	97¾	98⅝	97½	99⅛	95⅞	97½	93¼	95½	92¼	93⅜	94	96½	95½	95¾	94½	96½	97½	100	98	98⅞	98¾	99½
Columbus & South Ohio El 3¼s 1970	100	100	100	100¾	100	100⅛	100⅛	100⅛	--	--	93¼	93¼	96¾	98⅝	98	98½	--	--	98	99½	--	--	99½	100
Columbus & Toledo 1st ext 4s 1955	--	--	102½	102½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Commonwealth Edison—																								
1st mortgage 3s series L 1977	97½	99½	97¼	98⅜	95½	98¼	94	96½	93⅛	94½	90⅞	94	93¾	95¼	93⅞	94¾	94¼	95⅜	95¾	98⅜	97	99	97½	99⅛
1st mortgage 3s series N 1978	99¼	99⅜	97½	98¼	97½	97½	95¾	96¼	93⅞	94	90	90	--	--	91	91	96½	96½	96½	96½	--	--	96½	97½
3s s f debentures 1999	93½	97½	93⅝	95	95	95⅛	93½	95	--	--	--	--	86	88	88⅝	90	87½	90	90	92½	93	93	92	93¼
2¾s sinking fund debs 1999	91⅜	91⅜	--	--	88½	89¾	85½	87½	--	--	82¼	82⅜	83½	83⅝	85	85	85	86	86½	87½	88	88½	89	90
2⅞s s f debs 2001	92	92⅛	91½	91½	--	--	--	--	--	--	81⅞	82⅝	83½	85¼	86⅞	87	85	85⅝	89¼	89¼	89⅜	90	90	92
Connecticut River Power 3¾s 1961	102½	103¾	102½	103¼	102½	102⅞	102½	104⅛	102½	103	101⅛	102¾	102¼	102¾	102	103⅛	101½	102¾	101½	102⅝	101½	102¾	102	102¾
Consolidated Cigar 3¾s 1965	--	--	100¼	100¼	99¾	99¾	--	--	--	--	--	--	90½	90½	--	--	--	--	91⅛	91⅛	--	--	--	--
Consolidated Edison (N Y)—																								
1st & ref M 2¾s ser A 1982	91½	93⅝	89¾	92	90	91⅛	85½	92⅝	85	87½	83⅝	86⅛	86⅛	88¼	87⅞	88¾	86½	88½	89¾	92¾	91½	93½	90⅝	91⅝
1st & ref M 2⅝s ser B 1977	90	91⅝	90	90¼	89¼	89⅞	87	88⅞	84½	87¼	86	86	86	86	87⅛	88¼	86½	88½	90¾	90¾	90½	91¼	90¼	91¼
1st & ref M 2¾s ser C 1972	93¾	95¾	93½	94⅛	93	94¼	91⅝	93	91¾	92⅛	91	92¾	91½	93½	93	94½	91⅞	93	93¼	94¾	94½	95¼	94	94¾
1st & ref 3s M series D 1972	98¼	99¾	98½	99½	97¾	99⅛	95	97⅞	93½	95¾	94¾	95½	96	97¼	95⅛	96¼	93⅝	97	97	99¼	99	99½	98	99½
1st & ref mtge 3s series E 1979	99	99⅞	97½	98	95⅞	96¾	95½	96¼	95½	95½	93	93	94	94	94⅜	94⅜	93¾	93¾	95½	95½	94¾	94¾	95¾	96
1st ref M 3s ser F 1981	98¼	99½	96⅜	96⅜	95½	96½	94¼	94¼	--	--	89½	92⅝	92	93	93	93	92	92	94⅞	97¾	96¼	97½	96	97
3¼s series G 1981	100½	102½	98⅞	100⅞	99½	100¼	97	99⅝	94	94	92⅜	94	96¼	97	96½	97¾	97	98	98	101	101¼	101½	99⅞	101
1st ref 3⅜s series H 1982	102⅜	105	100¼	102½	100	101¾	98	100⅝	97⅛	98½	95	95⅞	97½	99½	98½	99⅛	97½	98½	--	--	101¼	103	102	102¾
1st ref 3½s series I 1983	--	--	--	--	101⅛	101½	98½	102	96⅞	98½	96½	98½	99½	100¼	99	101	99¼	102	101⅛	104¾	103¼	104⅜	103⅜	104⅜
3s convertible debentures 1963	151	157⅝	152½	161	153	157¾	150	154	153½	155	140	152	150⅛	154	154	160	155½	157⅛	158½	158½	159½	165	164	169
Consolidated Gas Balt City—																								
General mortgage 4½s 1954	102½	102½	--	--	102¾	102¾	101⅝	102	--	--	100¼	101	100¼	100¼	100¼	100 5/16	100 5/16	100 5/16	100 5/16	100 5/16	100⅛	100¼	100⅛	100⅛
Consol G E L & P (Balt)—																								
1st ref M 2⅞s ser T 1976	94½	96	95	95½	94½	94½	94	94	--	--	89½	94	90⅝	93	--	--	--	--	91	93½	--	--	94¾	94¾
1st ref mtge 2⅞s series U 1981	96	98	96	96	94½	94½	94	94	88	88	88¼	88¼	89⅛	92¼	91⅛	92¼	91½	93½	94	95½	95	95½	93⅞	94⅛
1st ref M 2¾s ser X 1986	--	--	93	93	93	93	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
First ref mtge 3⅞s series Y 1983	--	--	--	--	--	--	--	--	--	--	--	--	105½	105¾	104⅞	105⅞	104¼	105½	105½	105⅝	107	107⅛	106	107
3¼s conv debs 1967	118¾	120½	119¼	120¾	118	120½	110½	117½	111¼	113	102⅛	112¾	107⅝	110¼	110⅛	112	106¼	111	113	116	115¾	118	117¼	119
Consolidated Nat Gas 2¾s debs 1968	97½	98	--	--	--	--	--	--	--	--	--	--	96	96	--	--	95½	96	97	97½	97⅝	98⅛	97½	98½
3¼s debs 1976	101⅝	102½	101½	101½	100¾	102½	100	100	97½	98	95¼	95½	96⅛	96⅛	98	98¼	97	97½	98½	100¾	99½	101	101¾	102⅛
3⅞s debenture 1978	--	--	--	--	--	--	--	--	--	--	--	--	104⅞	104⅞	103⅝	104¾	104¼	104¼	105⅝	105⅞	105⅜	106¼	106	107

For footnotes see page 24.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Consolidated RR Cuba—																								
3s cum inc debs (stamped as to payment in U S dollars)......2001	—	—	—	—	19	20	17½	19	17¾	18½	14	17⅞	12¾	14¾	11¼	13	10	12¼	10	10⅞	—	—	10⅜	11⅝
Consumers Power 2⅞s......1975	94⅝	96½	94¾	95¾	93¼	95¾	90¼	94¼	90¼	92¼	89½	92½	92⅜	93¾	91¾	93⅞	91¼	93⅝	94¾	96½	94½	96¾	94¼	96
First mortgage 3¾s......1983	—	—	—	—	—	—	—	—	—	—	—	—	—	—	103¼	103¼	103⅜	104½	105	105⅝	—	—	106	106¾
Continental Baking 3s deb......1965	—	—	96½	98	96½	96⅝	96¾	96¾	—	—	93⅞	93⅞	93⅞	95	94⅝	95	95⅛	96	97½	99	99	100	—	—
Continental Can Co 3¼s debs......1976	103½	103½	102⅞	103	101½	102½	101½	101½	—	—	—	—	100	100½	—	—	100	100	101	101½	101½	102¼	102	102½
Crane Co s f 3⅛s debs......1977	100⅝	101¾	100¼	101	100	100	99	99¼	—	—	—	—	—	—	96½	96½	—	—	—	—	—	—	—	—
Crucible Steel 1st mtge 3⅛s......1966	96½	96⅝	—	—	96¼	97	—	—	94	94⅝	94	94	94¼	96	—	—	—	—	—	—	—	—	91	91
Cuba Northern Ry—																								
1st mtge 4s (1942 series)......1970	31½	33½	33½	35½	34½	36½	36	40	36½	38	32½	x36	32½	34	31⅞	33	32½	35½	35	35½	34¼	36¼	31¼	34⅛
Cuba Railroad—																								
1st mtge 4s June 30......1970	23	23½	23⅝	25	24	26	25	27½	24¾	x26	24	25½	22¾	23¼	21½	22½	21¼	22	21¾	22½	22	22¼	21¼	22
1st ref 4s ser A......1970	31¼	31¼	33½	34⅛	33½	33½	33½	35	33	34¾	—	—	27	27	27	27	26	26½	—	—	28½	28½	27½	27½
1st & ref 4s series B......1970	32½	32½	32⅝	34	—	—	34⅛	34⅛	32	34½	—	—	—	—	—	—	25¾	30	—	—	—	—	—	—
Improvement & equipment 4s......1970	30⅝	32½	31¼	33	32¾	34	33	34	29¾	x32	28	29¼	27	28½	—	—	26	28	28⅛	28⅛	24	26⅜	24¼	25
D																								
Dayton Power & Light 2¾s......1975	93½	95⅝	92¼	93¾	92½	93	88¼	92	87¾	88¼	87	88¾	90½	91⅜	90¾	92	90½	91¼	91⅛	94	94	94	93	95
1st mortgage 3s series "A"......1978	—	—	—	—	98	98	—	—	—	—	93	93	—	—	—	—	—	—	93	93	—	—	93¼	93⅝
1st mortgage 3¼s......1982	—	—	101	101	—	—	—	—	—	—	98⅜	98½	—	—	—	—	—	—	99⅛	99⅛	99¼	99½	—	—
Deere & Co 2¾s deb......1965	98⅝	98⅞	99¼	99¾	98¾	100	—	—	94	94	—	—	96¾	96¾	95⅝	96⅝	96	97	97	98	97½	97½	96	96⅝
3⅛s debs......1977	99⅜	102⅛	99¼	99⅝	98¾	99½	97	98⅝	97¼	97¼	—	—	95	96½	96	96⅝	95½	96½	96½	99	98	99⅝	98¾	99½
Delaware & Hudson 4s......1963	100	101	100	101⅛	100¼	101⅝	100	101	99¼	100½	99¼	100¾	97	100¼	98	100¼	99	100	98⅝	101½	100	101	99½	101½
Delaware Lack & West RR Co—																								
N Y Lack & Western Div—																								
1st & ref mtge 5s ser C......1973	88¼	91	90	90½	89¼	90¾	—	—	—	—	85	85	—	—	86	87	87	87	89	91¼	90	96	89	90
Income mtge due......1993	78	81	79½	81	79½	81	78½	83½	73	73	71	71	—	—	72	72¾	72¼	72½	72¼	73⅛	—	—	74½	76
Morris & Essex Division—																								
Coll trust 4-6s......May 1 2042	86¾	88	88	89⅜	89	90⅝	89½	91	87	x88⅛	86	89	87½	88	87½	89¼	86¼	87⅝	87½	89	87¾	89	88¼	89
Pennsylvania Division—																								
1st mtge & coll tr 5s ser A......1985	87	87½	87⅛	87⅛	87⅛	90	88½	90	89⅜	98⅜	85	85	84	85	85	85½	85	86	87½	87¾	86¾	87¾	86	88⅜
1st mtge & coll tr 4½s ser B......1985	80¾	82½	82½	82½	82½	86	85¼	87¼	84	84	80	81	80½	80½	80½	80½	—	—	81	81½	81½	81½	—	—
Delaware Power & Light 3s......1973	97½	98	96½	96½	96	96	—	—	93	93	91¼	91¼	91¼	91½	91¼	91½	91¾	91¾	92¼	92¼	95⅞	96	96	96
1st mtge & coll trust 2⅞s......1979	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st mtge & coll 2¾s......1980	—	—	—	—	94½	94½	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Denver & Rio Grande West—																								
1st mtge ser A (3% fixed 1% contingent interest)......1993	101¼	102½	101¼	102	101	102	100	100¼	98½	100	95⅛	97	96	98	98	98½	97½	99	98½	98⅝	99⅛	100	100½	101⅛
Inc mtge ser A (4½% contingent interest)......2018	92	93½	91¾	93½	91¼	93⅛	90½	92⅛	88	90⅝	86¾	89	88¼	93	91½	92⅞	89¼	91⅛	92	94¼	93¼	94	93	93⅞
Denver & Salt Lake—																								
Inc mtge (3% fixed 1% contingent interest)......1993	99	99	98½	99	98½	98¾	97¾	99⅜	97¾	97⅞	94½	96½	97	98	97⅞	98	98	98	98¼	99	99	99½	99¾	100⅛
Detroit Edison Co—																								
Gen & ref 3s series H......1970	99⅜	100¼	99	100	98¼	99⅞	93½	98¾	92½	96¼	93⅛	95½	96¼	98½	95¾	98½	95	98	98½	100½	98	100¼	98⅜	100⅛
Gen & ref 2¾s series I......1982	93¼	94¼	92	92½	89⅞	90½	85½	88⅞	86	86	85½	86¾	—	—	86	87	85⅛	86	88½	92¼	92⅛	93¾	90¾	92⅝
Gen & ref mtge 2¾s ser J......1985	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	90¾	91
Gen ref series K 3⅜s......1976	103½	104¾	103	103¼	101½	101½	100⅝	101½	98⅝	100	95¾	99	96⅛	98	100¼	100½	99¼	99¼	101⅝	104½	103	104	104½	104½
Gen & ref 3⅞s series M......1988	—	—	—	—	—	—	—	—	—	—	100⅝	103	103	104⅞	104⅝	105½	104	105	105¼	106¾	106¾	107	106⅜	106⅞
3s convertible debentures......1958	121¾	123⅞	122¼	124⅛	123½	127⅝	123⅞	124¾	124⅛	124⅝	122¼	130½	129	134½	134½	136⅝	132¾	134½	136⅛	141¼	143	144¾	144½	147½
3¾s conv debs......1969	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	111⅝	112⅛
Detroit & Mackinac 1st lien g 4s......1995	72	72	—	—	72	72	70	70	73	73	—	—	—	—	70	70	68	68	73	73	—	—	—	—
Second gold 4s......1995	—	—	—	—	—	—	—	—	71	71	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Detroit Term & Tunnel 1st 4½s......1961	103¼	104½	104	104½	103¼	104½	103¼	104¼	103	103¾	103	103⅞	103⅜	103⅞	102½	103⅞	100¼	103⅝	102⅝	103⅞	103	104	103	104
Detroit Tol & Ironton 2¾s B......1976	—	—	—	—	—	—	—	—	—	—	76	76	76¼	76¼	—	—	80	80	81	83¾	83½	84	83	83
Dow Chemical Co 2.35s debs......1961	96¼	96½	95¼	96	—	—	95¼	95¼	95¼	96	93⅝	95	94	95	95	95⅛	94¾	95½	95⅜	96	95⅝	96⅞	95	96½
3s conv subord debs......1982	106¾	109	106⅛	107¾	104¾	106¾	99	104¾	98	101⅝	94⅜	99	97½	99⅞	98⅝	100	98⅜	99⅝	99	101¼	100⅜	101¾	101⅝	103⅝
Duquesne Light 1st mtge 2¾s......1977	93¾	95¼	93	94⅛	92½	93⅛	89	91⅝	88	89¼	88⅝	89¾	90¼	91⅜	90½	91½	90½	91½	92¾	94⅛	94	94⅞	93⅜	94⅝
1st mortgage 2⅝s......1979	92	93	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	92	92	91½	92¾	91	92¾
1st mortgage 2¾s......1980	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	92	92
1st mortgage 3¼s......1982	102¾	102⅞	—	—	103	103	—	—	102¾	103	—	—	—	—	—	—	—	—	—	—	—	—	—	—
E																								
East Tenn Va & Ga 1st 5s......1956	105	105	105	105¼	105	105½	105	105	105	105	104	104½	104	104	—	—	103¾	103¾	—	—	103¾	103¾	103¾	103⅞
Ed El Ill (N Y) 1st cons 5s......1995	—	—	135	135	134	134½	134	134	134	135	—	—	—	—	134	134⅜	—	—	—	—	—	—	142	142
Elgin Joliet & Eastern Ry 3¼s......1970	102	103	101½	101⅝	100½	100½	98	100	97	97	97	97	98	98	—	—	98	98	101¼	101¼	100¾	100¾	98½	98½
El Paso & S W 1st & ref 5s......1965	107	109½	107¾	109¾	108¾	109	108	109¼	107½	108	104	107	104½	107	106	106⅛	106	107¼	106	107¼	106¾	108	108½	108½
1st refunding 5s stamped......1965	109¼	109¼	—	—	109¼	109¼	108¼	108¼	—	—	—	—	—	—	—	—	105⅞	106	106	106	—	—	—	—
Erie RR Co—																								
General mtge inc 4½s series A......2015	77⅝	81½	78¼	81	78½	81½	73	79	73	75	70	73¼	73	75¾	74¼	75½	70¼	74⅝	71	72½	71½	75	72	74
1st cons mtge 3¼s series E......1964	—	—	—	—	94¾	94¾	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
1st cons mtge 3⅛s series F......1990	81¾	82	81½	82	81⅛	82	78	81½	79½	79½	76½	76½	77¼	80	80	83½	83	83	83	83½	83	83	83½	83⅛
1st cons mtge 3⅛s series G......2000	81	82⅛	81½	82	80¼	81	78	78	76	78	76½	77	76½	80	80	81	80½	80½	—	—	80	81⅜	80¼	81⅛
Ohio Division 3¼s......1971	—	—	—	—	—	—	—	—	99	99	—	—	—	—	—	—	93⅝	93⅝	—	—	—	—	—	—
F																								
Firestone Tire & Rubber 3s......1961	100	101⅝	100¼	101	100	100	99¼	100¼	99	99¾	96⅝	99⅜	99	99¾	99¼	100½	99¼	100⅝	100¼	101⅝	101	101¾	100⅞	101¾
2⅝s debentures......1972	—	—	—	—	93¾	94¼	—	—	93	93	—	—	89	89	90	90	91	91	—	—	94	94⅞	95⅛	95⅛
3¼s debs......1977	100¾	102¾	99	100½	98⅞	99⅞	98	99	96	97¾	94½	97½	96¾	98	97⅞	98¼	97⅞	98¼	98⅞	100½	100	101	99	100½
Florida East Coast 1st 4½s......1959	—	—	101	102	101	102	100½	101	100⅝	101⅛	100¼	101⅝	100¼	101½	101½	101½	101⅜	101½	101¼	101¼	101¼	101¼	101¼	101½
1st & refunding 5s series A......1974	94½	98¾	93	96	93	95	90	92½	90⅜	93¼	85⅝	91	89	91¾	88½	89⅜	83¼	89	88¼	90	89⅛	98¾	94	98¼
Fort Worth & Denver Ry—																								
1st mortgage 4⅜s......1982	103⅛	104¼	103½	103½	102	103	101½	102½	101½	102	100½	100½	100¼	100½	102	102	101	101¾	—	—	—	—	—	—
G																								
General Foods Corp 3⅜s deb......1976	103½	104¼	103¼	103¾	102¾	103½	100½	101½	99	100½	98	99⅛	99½	100⅝	100½	102	101	101¾	101⅝	103½	103½	104⅛	104	104¼
General Motors Acceptance Corp—																								
4s debentures......1958	—	—	—	—	—	—	—	—	—	—	—	—	102⅞	103¾	101½	103¾	101	103	102¾	104	102⅛	103⅞	102¾	103⅝
3⅞s debentures......1961	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	101⅜	103	101¼	102⅞	102⅛	103½
General Realty & Utilities Corp—																								
4s conv income debentures......1969	96	97	97⅛	97½	x97¼	97⅜	94	97½	94⅛	94⅜	94	94¼	—	—	94	94	94	94	93	93½	93½	93¾	93⅛	93½
Goodrich (B F) Co 2¾s......1965	98⅞	99½	98	98⅛	97	97	97	97	95½	95½	95	96	96	96⅛	97¼	97¾	96	97⅞	96½	97¾	97	97⅝	97⅜	98
Great Northern—																								
General 5s series C......1973	116⅛	116¾	116¼	116½	116	116½	112	112¼	110	112½	108½	108½	110½	112⅝	113	115	113	113⅛	113¼	114½	114½	116¾	116¾	116¾
General 4½s series D......1976	111¼	112⅜	110¾	111¼	109	111⅜	106½	108½	102½	102½	102	104	104	106¾	107	108¼	108¼	109¼	109½	112½	109⅞	112	110	111
General mtge 3⅛s series N......1990	87½	89	89	89⅜	89	89⅝	86	87	81⅞	84	80	80½	80⅝	85¾	84⅞	85¾	86	86½	86	88¾	86½	89¼	88	88¼
General mtge 3⅛s series O......2000	88	90	89	89	89	89	—	—	—	—	77¾	77¾	78¼	83	83	83	82	82	83½	83½	—	—	85½	88
General mtge 2¾s series P......1982	83½	84½	83	84	82	84	82	82⅝	80	81	76	79	83	85	85	85½	82½	82½	82½	85	84	85⅜	84½	85
General mtge 2⅝s series Q......2010	75⅛	75⅛	—	—	73	74½	71	73	69¾	71	69¾	70	70	71⅛	71	71	71	71	71	74⅝	76¾	76¾	73¾	74½
General mtge 2¼s series R......1961	94⅞	96⅛	94½	94½	93½	95⅛	93	94	92¾	92¾	—	—	92	92½	91½	92	91⅝	93	92½	93½	93½	94¼	93⅝	94⅞
Green Bay & Western deb ctfs A......	—	—	—	—	75	75	—	—	73½	73½	—	—	73¼	73¼	—	—	—	—	—	—	—	—	—	—
Debenture certificates B......	14¾	15¾	12¼	13½	12	15¾	15½	20¾	18½	19⅞	17¼	18	17½	18¾	17	19½	16½	18¾	18¼	20¾	18⅞	21½	20⅛	22⅛
Gulf Mobile & Ohio 4s series B......1975	101¾	101¾	101¾	101¾	101¾	101⅞	101½	101⅛	97	97½	96¾	97¼	97½	100	99	99¼	—	—	100	100	100	100½	100	101
General mortgage 5s series A......2015	90	91⅞	90⅜	91¼	90	91	90⅜	91	83½	90	83⅜	84¼	84¼	85½	86	86½	86½	88	87½	88½	88	89⅛	89⅛	89⅛
1st & ref mortgage 3¾s "D"......1969	100½	102	101	101	100¼	101	99½	99¾	98	99⅝	95	98	95	95½	—	—	97¼	97½	97¼	99	99½	99½	99½	99⅝
General mtge inc 4s series B......2044	80	81⅜	80½	82	80½	81⅜	77½	81⅛	74	75¼	72	73½	73¾	75	74½	76¼	74	75½	75¼	75⅝	75⅛	76	74½	76
Collateral trust 3¾s......1968	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	97½	97½	—	—	—	—	—	—
Gulf States Utilities 2⅝s......1976	91½	92	90	91¾	90½	90⅞	90	90	—	—	84¼	84¼	87⅛	87⅛	84¼	92	86	86	90	90	—	—	90¾	90¾
1st mortgage 3s......1978	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3s debentures......1969	97½	97½	—	—	97½	97½	—	—	—	—	90½	90½	94½	94½	95	95	95⅛	95⅛	97	97	97½	97½	—	—
First mortgage 3⅜s......1981	—	—	102¼	102¼	—	—	—	—	—	—	94	94	—	—	—	—	—	—	—	—	101	102	101	101
H																								
Hackensack Water 2⅝s......1976	90	90	—	—	—	—	88½	88½	—	—	—	—	86⅜	87¼	87	87	—	—	89	90	—	—	89¾	90
Hocking Valley 1st cons 4½s......1999	117½	117½	114	115	114	114	111	112	106	108	106	106	106	108½	—	—	108½	110	110	116	—	—	113¼	113¾
Household Finance Corp 2¾s......1970	95¾	95¾	94⅜	95	94¾	94¾	93¼	94¾	92½	93	91½	91½	90	91½	89½	89½	—	—	89	90	90¾	91¼	90	90¾
3⅞s debentures......1958	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	103⅛	104¼	104	104
4⅛s debentures......1968	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	107	107
Houston Lighting & Power—																								
3¼s deb (conv after 7-1-53)......1967	134	138	132½	137	137	137	131	137½	131½	134	121⅜	131½	125	130¾	130¾	135½	130	135	136	144	144	151½	151	160
Hudson Coal 1st s f 5s series A......1962	104⅝	105	104⅝	104¾	104⅛	104⅝	94¼	104⅜	96⅛	97¼	94¼	96⅛	94¼	95	94⅛	94½	89¼	94⅛	89⅛	91	83	90¼	84	92½
Hudson & Manhattan 1st & ref 5s......1957	61	63	61⅝	63½	62	64¾	61	63¼	60½	61⅝	58	60¼	57	59½	57	58¾	55	57	51	56	51⅛	52⅜	49¼	51¾
Adjustment income 5s......1957	27⅛	30¾	27¾	30¼	28½	31⅞	26½	29½	26¼	27	23⅛	26½	23¼	25	22½	25	19⅞	21¾	17¾	21¼	18⅛	19¼	16⅜	19¾

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BONDS	January		February		March		April		May		June		July		August		September		October		November		December	
	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High	Low	High
I																								
Illinois Bell Telep 2¾s series A 1981	92½	93⅝	92⅜	93	90	92¼	86½	91⅛	87	88	85⅞	87¼	87¾	89½	88¾	89½	86⅛	90⅝	91	93¼	92⅜	93⅞	92½	93⅝
1st mortgage 3s series B 1978	98⅝	99⅝	98⅛	98¼	97¼	98⅛	95	97	94¾	95	93	93	92½	94½	--	--	92¾	94	96¾	97⅞	98½	99	97	98⅜
Illinois Central—																								
4⅜s-3¾s series A 1979	97	97⅛	--	--	97	97	97	97	--	--	94½	94½	97¾	97¾	--	--	--	--	96¼	96¼	--	--	--	--
5⅜s-3¾s series B 1979	98½	98½	--	--	--	--	98½	98½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	98	98
3¾s series C 1974	--	--	--	--	--	--	94¾	95	94½	94⅞	--	--	96	96	--	--	--	--	--	--	96¾	96⅞	--	--
Cons mortgage 3⅞s E 1982	97¾	99⅛	97⅞	98⅞	97¾	99	97	98	95½	97¼	95½	97½	98¼	99	98½	99	97¾	98½	98⅝	100¾	100	100½	99¾	101¾
Refunding 4s 1955	103⅝	104	103¾	104	104	104⅛	103½	104	103⅜	104¼	103⅜	103⅝	103⅜	103⅝	103⅜	103½	103¼	103⅜	103¼	103½	103¼	103½	103	104
Refunding 5s 1955	105⅝	106½	106½	107	106⅝	107	106⅜	107	105⅝	106⅛	105¾	105⅞	105½	105½	105½	105½	105⅜	105⅜	105⅜	105½	105⅜	105⅜	105	105¾
40-year 4¾s Aug 1 1966	103	104	103½	104¼	103½	104⅜	102½	103¾	100	103	100½	103	102½	103⅞	102	104	102⅛	103¾	102¼	104⅛	102 11/16	103⅝	102½	102⅞
Illinois Terminal RR 4s 1970	85⅛	88	87	90	88½	90	88¾	89⅛	88	88½	88	89¼	--	--	88½	90⅛	88⅜	88½	88½	90	89½	90	89½	90⅛
Indianapolis Union Ry—																								
Ref & imp 2½s series D 1986	--	--	91	91	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Inland Steel Co 3¼s deb 1972	107¼	109½	107¼	108¾	107	108⅜	100⅜	107¾	99½	101¼	96½	99	98¼	100	100¼	102½	101	103	101¾	102¾	102½	105	102⅛	104
1st mortgage 3.20s series I 1982	--	--	100	100	100⅛	101	100	100			98	98	--	--	97¾	97¾	97¾	97¾	97¾	97¾	100¼	100½	100¾	101
Internat'l Gt No 1st 6s series A 1952	108	114	113½	120	x112½	120	110	115	108½	112½	103½	108½	105½	107⅞	106¼	108½	102¼	106½	106½	110¾	108⅛	110½	x104	110
Adjustment 6s series A 1952	73	78½	72	76	73⅜	79	65½	74	67¾	70½	62¾	68	63¾	66½	62	69½	62¼	68¼	67	76¾	72	77	72½	75¼
1st 5s series B 1956	101⅞	104½	104½	107⅜	107⅛	112⅞	104	107⅛	102¾	104½	99	101⅝	100	100⅞	100	102	98	100	101	104	100	103	x96½	102⅝
1st 5s series C 1956	103	105½	104¼	109	x107⅜	113	107½	107½	103¼	104	99	101⅝	100	100	100	101	98½	100	99⅞	103½	100	102⅜	x96⅞	102⅛
International Mineral & Chem—																								
3.65s subord deb conv 1977	104	107	104	104¾	104	106	99¼	102½	96	99	95	98½	94⅞	97	98½	99¾	95½	96½	98½	100¼	99½	100¼	99	100⅜
Internat'l Rys Cent Amer 1st 5s B 1972	--	--	80	80	81⅛	85	82	85½	85	88	85¼	85¼	85¼	90	90	90	88	88	87½	87½	84	89	66	80
Interstate Oil Pipe Line—																								
3⅛s s f deb series A 1977	100½	100½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	100	100	99½	99½
Interstate Pwr Co 1st mtge 3¾s 1978	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
J																								
James Frankl & Clear 1st 4s 1959	89	91	90	92	91	93	88⅜	92¼	88¼	91⅛	87⅞	90½	90⅛	91⅜	90	91	88¼	88¼	90¼	91¼	91	92⅜	90½	92¼
Jersey Central Power & Light 2⅞s 1976	93	93	90½	90½	90	90¼	86	87½	85⅞	87½	86⅞	87¾	87	87⅛	88⅛	88⅛	88½	88½	91	94¼	92½	93	91½	92½
K																								
Kanawha & Mich 1st gtd 4s 1990	91	91	--	--	90	90	--	--	--	--	--	--	--	--	--	--	--	--	84	84	--	--	--	--
Kansas City Power & Light 2¾s 1976	95	95	94¾	94¾	93¾	93¾	89½	89½	--	--	88	88⅛	--	--	92¾	92¾	90¾	90¾	--	--	--	--	93½	94
1st mortgage 2¾s 1980	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Kansas City Southern 4s series A 1975	103½	104⅛	103⅛	104	103⅛	104	103	104	100½	103¼	101	102⅞	101	102⅜	101½	103	101¼	102⅞	102⅜	104⅜	103½	104⅜	103⅛	104⅜
1st mortgage 3⅝s series B 1968	--	--	--	--	103	103	102	102	--	--	98	99	--	--	--	--	100	100	--	--	100	100	--	--
Kansas City Terminal Ry 2¾s 1974	--	--	--	--	96½	96½	96½	96½	96½	96½	--	--	95	96½	--	--	--	--	--	--	96⅛	96⅛	--	--
Kentucky Central gold 4s 1987	111¼	111¼	--	--	--	--	--	--	104½	104½	--	--	--	--	105	105½	105½	105½	--	--	--	--	--	--
Kentucky & Ind Terminal 4½s 1961	47½	49	49	50	50	50⅛	52	53½	51	53	49½	52⅞	49⅝	50½	49⅝	50½	50¼	50¼	50⅛	51	51¾	51¾	51⅞	52
Stamped 1961	100	100	100	100½	100	100½	100	100½	99½	100½	98	99½	98	98	--	--	98	98⅛	--	--	98⅛	98⅛	98¼	98⅜
Plain 1961	--	--	--	--	99⅛	99⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
4½s unguaranteed 1961	99½	99½	--	--	--	--	--	--	99½	99½	--	--	--	--	--	--	95	95	95⅛	95⅛	--	--	--	--
Kings Co Elec Light & Power 6s 1997	160½	161	160	160	155⅛	155½	--	--	150	150	--	--	--	--	--	--	--	--	--	--	--	--	150	150
Koppers Co 1st mortgage 3s 1964	99⅝	100¾	100¼	100⅝	99	100½	96½	99	96½	97¾	96	98	97	98½	97½	98	97	97⅛	97	100	99¾	100⅜	99⅝	100⅜
Krueger & Toll 5s certificates 1959	1	1⅜	1¼	1½	1½	2	2	3½	1½	2¼	1⅜	2	1⅞	2½	2⅛	2½	2⅜	2½	1⅞	2½	1¾	2	1¾	2¼
L																								
Lakefront Dock & RR—																								
1st mtge s f 3⅞s ser A 1968	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Lake Shore & Mich Sou gold 3½s 1997	85	87¼	86	87⅛	85½	85¾	83	85	79	80	79¼	80	80	80	81	83	81¼	83	83½	83½	--	--	85	85
3½s registered 1997	81	82	83	83	81⅝	81⅝	--	--			--	--	--	--	78	78½	79½	80	79¾	79¾	81½	81½	82⅛	82⅛
Lehigh Coal & Nav 3½s A 1970	91	95	96	96¾	95	96	91¾	93	90	92	86	88	85	90	86	86	86⅛	90	91	91½	90	92⅛	89	89½
Lehigh Valley Coal—																								
5s stamped 1954	--	--	100	100⅛	100	100	100⅛	100⅛	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
5s stamped 1964	92	92¼	92½	92½	92½	93	89	89	82	82	80	80	79½	79½	--	--	55	55	55	55	62	62	59	65
5s stamped 1974	--	--	87¼	87¼	87¼	87¼	--	--	--	--	65	73	65	69½	60	60	48	52⅛	48	53	53	58	44½	54
Lehigh Val Har Term 1st 5s ext's 1984	87⅞	93½	85½	89	86	89	84	87	85	86⅞	80¼	85	83¼	85½	85	86	85⅛	87	85½	86⅛	85½	86⅞	84⅞	87
Lehigh Valley (N Y) ext 4½s 1974	87	91½	86	87	85¼	86½	82½	84⅞	82	83½	78	81	79¼	82½	82¼	83	82¼	83½	83	85½	83	83¼	83	83½
Lehigh Valley RR—																								
4s series "A" 2003	72	75½	69	72	68	69½	64⅜	67⅞	65	67	63¼	66¼	64½	65	65	67	63½	65⅛	64¼	65¾	64½	65½	65	67
4½s series "B" 2003	78	79½	76¼	76½	72	75	71	72	71	72½	72¼	73¾	74	74½	73¾	74½	73½	74½	73½	73½	74½	74½	73⅝	73⅝
5s series "C" 2003	87½	88	88½	88½	--	--	--	--	81½	81½	80	80	80	80	79½	80	81	81	81	81½	81	82	80½	80½
4s series "D" 2003	67	68½	63¾	67⅜	65¼	67	63¼	65½	59⅝	61⅝	57	59¾	56½	58⅝	58	58¾	56¾	58⅛	56½	58½	58½	59½	58¼	59½
4½s series "E" 2003	71½	74	69½	72	68½	70⅛	67½	70	63½	65⅝	61½	63½	62	63½	62⅝	63⅝	62½	66	63	65	63¼	64¾	63¾	66
5s series "F" 2003	78½	79⅛	76	78¾	75	77	74¼	76⅛	68	x71½	70	70⅝	70½	72½	72	72¾	71¼	73	71⅛	71⅜	71	72	72	73⅝
Lehigh Valley Term Ry—																								
1st mortgage 5s extd 1979	92½	94	93	93⅜	90	92	87	90	86¼	86¼	83¼	84¼	83⅜	85	84¾	85⅛	86	90¼	90⅛	91¼	91⅛	92	90½	92½
Lexington & Eastern 1st gold 5s 1965	--	--	111⅛	111½	111¼	112⅜	112	112	111	111	110½	111	109½	110½	--	--	--	--	109	109	109	109	110	110
Little Miami general 4s series A 1962	99	99	--	--	--	--	100	100	101	101	--	--	101	101	--	--	--	--	100	100	--	--	102	102
Lombard Electric 7s ser A 1952	76	76	--	--	82½	82½	92	92	--	--	--	--	90	90	--	--	--	--	--	--	--	--	--	--
Long Island Lighting Co—																								
1st mtge 3⅝s series D 1976	103¾	104	103	103	--	--	99½	99½	99	99	85	99	94	95	98	99	99	99	99½	99½	99½	99½	100	101
Lorillard (P) Co 3s debentures 1963	100¼	100¾	100¼	101	98½	101¼	97½	99	96¾	98	96⅛	98	98	98⅝	98⅝	99¾	98½	99⅛	99¼	101¼	100¼	101	97	99¼
3s debentures 1976	99	99	98	98	96¾	97¼	96	96	--	--	--	--	98	98	--	--	--	--	96	97	--	--	--	--
3¾s debentures 1978	--	--	--	--	--	--	--	--	100¼	101	99⅝	100½	100⅜	103¼	102½	103½	102	102¾	102⅝	103⅝	103¾	104	102	103⅞
Louisville & Nashville RR—																								
1st & ref mtge 3⅜s series F 2003	92¼	93½	90⅞	92½	91¼	91⅞	91¼	91¼	--	--	84	85	87½	88	88	88	88	89½	90⅞	92⅛	92½	92¾	91	92
1st & ref mtge 2⅞s series G 2003	81½	83	80½	82¼	80½	82	80	81½	79	79⅝	77½	79⅛	78	79	78½	78⅞	79⅜	81	81⅝	83½	80¼	83	81	82½
1st & refunding M 3¾s ser H 2003	100⅛	101	99½	100¼	99½	101¼	99	99⅝	95¼	97	94½	94¾	95	98½	97½	98⅛	97¼	98½	98¾	99¼	99	100½	99	99½
St Louis Div 2nd gold 3s 1980	90⅞	92½	91½	91½	--	--	89	89	--	--	80⅛	80⅛	--	--	--	--	85	85	87	87	89½	90⅞	89½	89½
Atlanta Knox & Cinn Div 4s 1955	103⅛	103½	103	103¼	102⅛	103¼	102½	102⅝	100	101¾	100¼	101½	100¾	101½	101¼	101¼	101¼	101¾	101⅜	101½	101¼	103¼	101¼	102
Louisville Gas & Electric 2¾s 1979	94	94⅝	94	94	93¼	93¼	--	--	--	--	--	--	--	--	90½	90½	--	--	--	--	--	--	--	--
First mortgage 3⅛s 1982	--	--	--	--	--	--	98	98	--	--	--	--	--	--	--	--	93¾	93¾	--	--	--	--	--	--
M																								
Macy (R H) & Co 2⅞s debs 1972	--	--	--	--	--	--	--	--	93	93	93	93	90⅞	90⅞	--	--	90	91	--	--	95⅝	95⅝	--	--
Maine Cent RR gen m 4½s ser A 1960	93⅝	97¾	96⅝	99¾	99⅜	99¾	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1st mtge & coll 4s series B 1954	99⅛	99½	100	100	100½	100½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Manati Sugar sinking fund 4s 1957	97	98	97⅛	97⅛	97⅞	97⅞	97½	98½	98	98⅝	97	99	97	99	92⅛	96	92	94	90¼	91⅛	83¼	91	83⅞	86½
Manila RR Sou Lines 1st ext'd 4s 1959	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	47½	47½	--	--	--	--	--	--
May Dept Stores 2⅝s debs 1972	93	93⅛	--	--	93¼	94⅛	--	--	--	--	--	--	88⅜	89	88⅜	88⅝	--	--	--	--	--	--	93	93
3¼s debentures 1978	--	--	--	--	100⅛	100⅛	100¼	100¼	100¼	100¼	95½	95½	97	97	98⅜	98⅜	98	99	98	98	101	101½	100¾	101
McKesson & Robbins—																								
3½s debentures 1973	--	--	--	--	--	--	--	--	--	--	96½	96½	98⅛	98¾	99½	99½	94¾	99¾	--	--	101⅜	101⅜	101¾	101⅞
Mead Corp 1st mortgage 3s 1966	--	--	--	--	--	--	95	97½	--	--	95	97	--	--	--	--	--	--	--	--	--	--	--	--
Metropolitan Edison 2⅞s 1974	92½	92½	93	93	--	--	--	--	90	91¼	90½	90½	--	--	--	--	91½	91½	94	94	94½	95½	93⅝	94½
Michigan Bell Telephone 3⅛s debs 1988	100	100½	100¼	100¼	98½	98½	--	--	--	--	94	95	94⅞	95	94½	95	95	95	98⅛	98⅛	97½	97⅝	99	99
Michigan Central RR—																								
Refunding & impvt 4½s ser C 1979	97	99	97¼	99⅜	97	97½	94	97⅝	90	94⅛	90	94	93	93⅞	93	93	91	92	93	96½	96	96	95½	97
Michigan Consolidated Gas 3½s 1969	103½	104½	103⅛	103¾	101¾	103⅞	102⅛	103¼	100¾	102¼	96	99¾	97	99⅝	99¾	101½	100⅝	102	101¾	103¼	103¼	104½	102¾	104¼
1st mortgage 2⅞s 1969	--	--	--	--	--	--	91	91	--	--	--	--	--	--	--	--	--	--	91	91	92	92	--	--
1st mortgage 3⅜s 1969	--	--	--	--	--	--	--	--	--	--	--	--	95	95	--	--	97	97	--	--	98	98	98¼	98¼
3⅞s s f debentures 1967	102¼	102¼	102	102⅛	101⅝	102⅛	101⅝	101¾	100	101½	99½	99½	99½	101½	100	100	99	99	99	101	99¾	101	101	101
Midland of N J 1st ext 5s 1940	78½	79½	80	80½	81	81	81¾	82½	82	83	81½	81½	--	--	--	--	--	--	--	--	--	--	--	--
Minnesota Mining & Mfg 2¾s 1967	98½	99⅛	--	--	99	99	--	--	--	--	--	--	92	97	94¼	94¼	94	95	--	--	97½	97½	--	--
Minn St Paul & S S M—																								
1st mortgage 4½s inc series A 1971	91	93	88	91	87½	88¾	84⅜	87	85	86	84	85	84	85	84¼	85	84¼	95	84	85	85	85	84¼	85
Gen mtge 4s inc series A 1991	64	66	62	64½	59½	63	x55	61½	55	57	52	55½	53¾	57½	56⅛	57½	53¼	56⅞	52	53	51⅞	53	51	52⅝
Mission Corp 3¾s s f debs 1966	--	--	--	--	--	--	--	--	--	--	--	--	100½	100½	100¼	100¼	100¼	100¼	100¼	100½	--	--	--	--
Missouri Kansas & Texas 1st 4s 1990	92⅜	94½	90½	92¼	91	93	90	92	88	91	87	91	88⅞	92	88	91	88	90	88½	91½	89	91	89	90⅞
Missouri-Kansas-Texas RR 5s A 1962	100	102⅛	99¾	101½	102⅛	103½	102½	103½	99½	103½	97½	99¼	99	100½	99¾	100½	98½	99¾	99¾	100½	100½	101	100½	101
Prior lien 4s series B 1962	93¾	94	92	94	92	94	91⅛	93	92¼	93¾	92⅜	93	90	93	92	93½	92	93	91¾	94	94	94⅛	94¼	94½
Prior lien 4½s series D 1978	95½	96	93½	94⅜	93	93	--	--	83	91½	83⅛	86	83	87	87	88	--	--	87½	88	--	--	89	89½
Cumulative adjust 5s series A 1967	81½	83½	81	83	81½	84½	x79	81¼	79⅛	80	78	80	77¼	79	77	78¼	77	77½	73½	76	72½	74⅛	72¾	76¾
Missouri Pacific RR 1st 5s ser A 1965	110½	116½	114	117	111½	117⅝	105¾	111½	105¾	107½	102½	105½	106	107⅜	106½	109¼	103	107	106¾	109¾	108	109⅞	x103	109
General 4s 1975	110	117½	110	114½	111	114¾	101⅛	113	98¾	102½	92¾	99	93⅛	96¼	89⅞	94⅞	84½	92½	88¼	97½	94⅜	98	91¼	96¾
1st & refunding 5s series F 1977	110½	116½	113¾	117½	110¾	118	105½	111½	104⅝	107¾	102½	107	106	107½	106	109½	102¾	107	106½	110	108	109⅞	x103	109¼
1st & refunding gold 5s ser G 1978	110¾	116½	114	118	110¾	117½	105¾	111¾	105⅛	108	103	105½	106	107½	106¼	109½	103	107	106¾	110	108	110	x103	109
Convertible gold 5½s 1949	87¼	101¼	88½	96½	92½	97⅜	81¼	94¾	81¼	83¾	73¼	82⅛	75¾	79⅛	72¾	79	69½	77⅝	73⅛	86	81½	85½	79⅛	84½
1st & refunding gold 5s ser H 1980	110⅞	116¼	114	117½	111¼	118¼	106	111¾	105⅛	108	102½	105	106¼	107⅜	106¼	108¾	102⅞	107	106⅝	110	108	109¼	x103	109
1st & refunding 5s series I 1981	110½	116½	113¼	117½	111	118¼	105½	111⅝	104¾	107¾	102½	105½	106	107¼	106	109¼	102¾	107	106¾	110	108⅛	110	x103	109
Mohawk & Malone 1st gtd gold 4s 1991	64½	69	67¼	68	65⅝	66¾	63¾	66	63¾	65⅛	61⅜	65	62⅛	66	63¼	65	63	63½	63⅛	64	63⅛	65	62¾	64
Monongahela Ry 3¼s series B 1966	98	98	98	98	98	98½	--	--	--	--	98	98	--	--	--	--	--	--	97	97	--	--	97	97
Morrell (John) 3s debentures 1958	100	100	99½	100	99½	100	98¾	99½	98	99⅛	98	98	98	98¼	98	98½	98	98½	98	98	99	99	99	99¼

For footnotes see page 24.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Morris & Essex 1st refdg 3½s 2000	59¾	63¼	62⅛	63⅛	61½	63	60¼	61½	58⅛	60½	56¼	59½	58¾	60⅜	60⅛	61⅜	59¾	61⅝	60¾	62½	60¾	61⅞	60½	61⅞
Construction mtge 5s series A 1955	101½	102	101½	102⅜	101⅞	102⅛	102	102⅜	100½	102	100½	101¾	101	101¼	101½	101¾	101¼	101¼	101¼	101⅝	101½	102	101½	102
Construction mtge 4½s ser B 1955	100¾	101	101	101¾	101	101⅞	101	102	99½	102	99¾	101	100½	102	101½	102	101	101½	100¾	101	100¾	101	101	101⅜
Mountain States T & T 2⅝s 1986	88	89¾	86⅛	86⅛	85½	87	84½	84½	83	84½	--	--	84	85¾	84⅛	85⅛	82⅝	85¼	86⅜	87¼	--	--	87¾	88¼
3⅛s debentures 1978	100½	100½	--	--	--	--	--	--	--	--	--	--	96	96	96	96	--	--	96	97	96¼	96½	--	--

N

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Nashville Chatt & St Lou 3s ser B 1986	--	--	85	87¼	--	--	--	--	--	--	82¼	82¼	82¼	82¼	82¼	85	88	88	87⅞	88	--	--	82	85
National Dairy Products 2¾s 1970	95⅝	96½	94⅞	96⅜	94	95½	92½	93½	91½	92⅜	91	93¼	92⅛	93⅛	92¾	93⅜	93	94	95	96	96	96¾	96⅜	97½
3s debentures 1970	99	100½	99	99¾	98⅞	99⅞	98¾	99⅝	98½	98⅞	98	99	98	99	97¼	98¾	97	97⅞	96¾	99	99¼	99¼	99⅝	99⅝
Debs 3½s 1976	99¼	101¼	99½	100¼	99¼	100⅛	97	99⅜	95	96	93	94	94⅛	98	97⅛	98¼	96½	97½	97¾	99⅞	100¼	100⅞	99¾	100¾
National Distillers Products 3⅛s 1974	99½	99½	98	98	98½	98½	--	--	--	--	--	--	94⅜	94½	93½	93½	--	--	96½	96⅝	--	--	97	97½
National Steel Corp 3⅛s 1982	99⅛	101¼	98½	100	98	99⅞	98½	98¾	96	97	94	94	93⅞	97	95½	96⅞	94⅞	95	96½	99¼	98½	99⅜	98¾	100
National Supply 2¾s debentures 1967	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	98¾	98¾	--	--	96½	96½	--	--
Naugatuck RR 1st gold 4s 1954	101⅝	101¾	101⅝	101⅝	101¼	101¼	--	--	101¼	101¾	--	--	--	--	--	--	100⅜	100⅜	--	--	100¼	100¼	--	--
New England Tel & Tel—																								
1st gold 4½s series B 1961	108¼	109⅛	108	108½	107½	108½	65⅝	108	106	106⅞	105	106⅜	106	107¼	105¾	106¾	105¾	107	105¾	106	106	106¾	105¾	106⅞
3s debentures 1982	98	99	98	98	96	96½	95⅞	96	--	--	91	91	92	93¼	91½	93	92	93¾	93½	96½	95⅛	95⅞	95¼	96
3s debentures 1974	98½	99½	98½	99	99	99	92	99	91⅜	91⅜	--	--	91	93⅛	92	92¾	93½	93½	--	--	--	--	97½	98
New Jersey Bell Telephone 3⅛s 1988	100½	100½	100¼	100½	100¼	100½	--	--	--	--	94½	94½	94½	94½	--	--	96½	96½	96	98	--	--	98⅜	98⅝
N J Junction gtd 1st 4s 1986	--	--	--	--	80	80	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
N J Power & Light 1st mtge 3s 1974	95⅝	95⅝	94½	95¾	96½	96½	96½	96½	--	--	--	--	--	--	--	--	--	--	94	94	--	--	--	--
New Orleans Great Northern 5s 1983	103	104	104	104	104	105	--	--	104	104	103⅛	103½	103⅛	103½	103½	103⅝	103½	103½	103⅜	103½	103⅜	103⅜	104	104
New Orleans Term 1st 4s series A 1953	100 11/32	100 11/32	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
New Orleans Texas & Mexico—																								
1st 5s series B 1954	100¾	102	101½	102¼	101½	102	x97	100½	95	99	92½	98	93½	95	94¼	95	93	95	95	95½	92½	95½	93	94⅞
Certificates of deposit	--	--	--	--	--	--	--	--	96	96	92½	92½	92½	92½	92½	92¾	--	--	93	93	--	--	--	--
1st 5s series C 1956	101⅜	101⅞	99⅜	101	101	102⅝	102	102⅛	97½	100	94⅝	98	94½	96	96	96	94	95½	93½	93½	95	95	92	93½
Certificates of deposit	--	--	--	--	--	--	--	--	--	--	93¼	93¼	93⅛	93⅛	--	--	--	--	--	--	91½	91½	--	--
1st 4½s series D 1956	100½	100½	98¾	99⅛	100½	101½	99⅛	101	97	97¼	91¼	91¾	91¼	92½	91⅛	92	92	93½	92	92	92	92	92	92⅛
Certificates of deposit	--	--	--	--	--	--	99⅜	99⅜	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1st 5½s series A 1954	101⅛	104	102½	102⅞	102¾	103¾	x100	101⅛	99	100½	95	98½	96¾	97½	95½	96½	96¼	97¾	96½	98	96	97	94½	97
Certificates of deposit	--	--	101¼	101¼	102	102	99½	99½	--	--	92½	92½	95¼	95¼	94	94½	--	--	96	96	94½	95½	--	--
New York Central RR 4s ser A 1998	66¼	72⅝	68¼	71⅜	65½	69½	64¾	67¾	65⅛	68	65	67	66	67¾	65	67¾	62½	65¼	63¾	65	62½	64⅜	62⅛	63⅞
Ref & impvt 4½s series A 2013	71⅝	78	74⅛	77⅜	72	75	70	72¾	70¼	74	70	72⅝	71½	73¾	71¼	74⅛	68⅜	71⅞	69¼	70¾	67¾	69⅞	66½	69¼
Ref & impvt 5s series C 2013	80¼	86⅛	81½	86	80¼	83½	76	80⅞	76⅝	80⅛	76	78¼	77¾	80½	76⅝	80¼	74⅝	78¼	76¼	77½	74½	77⅛	74¾	76⅝
New York Central & Hudson 3½s 1997	74½	77¾	76⅜	78⅝	75½	76¾	71⅝	75½	70	73⅝	69	72	71½	77	76	77¾	73¼	78½	76⅞	78½	76	77⅜	73⅛	76
3½s registered 1997	71¼	73¾	73	73⅛	70⅜	72	70	74	68	70½	68	69	70	74	72	72⅜	72	72	73¾	73⅞	70½	72	71½	73
Lake Shore coll gold 3½s 1998	62½	66	65⅛	66½	61¾	66	58	62	57¾	59⅞	57¾	59	59	60⅝	59¾	60½	59	61⅛	60	61⅛	59⅞	61	59⅛	60⅜
3½s registered 1998	59½	63	63	64¼	--	--	57	60½	56¾	58	55⅛	56⅜	56	57	56¾	57½	57	57½	57¾	59	57⅝	58¼	56¾	58
Michigan Central coll gold 3½s 1998	63	66	65	66	62⅛	66	58⅞	62	58	60	57¾	59¾	59⅛	61	58⅝	60⅜	58⅜	61	60	62¼	58½	61¼	59⅛	60½
3½s registered 1998	60	64½	62¼	63½	63½	63¾	59½	59½	57⅜	59	56	57	56	58	57⅛	58	57⅞	57⅞	58¼	59¼	58¼	58⅝	57½	58
New York Chic & St. Louis—																								
Ref mortgage 3¼s series E 1980	97	98½	95	98	92	93¾	92	94⅛	92	92	92	95	94⅝	95½	97	97	95	96½	92½	94¾	95⅝	96	93⅞	95
3s series F 1986	--	--	--	--	89	89	87	87	86	86⅝	--	--	--	--	--	--	--	--	86¼	87½	86½	86½	--	--
N Y Connecting RR 2⅞s B 1975	84½	86	85	85¾	84	86¾	82	86	82	82½	82	83½	83½	85	82	82¾	82	84	83	85⅝	86¼	87	85⅝	86¼
New York & Harlem gold 3½s 2000	--	--	--	--	--	--	100	100	96	96	--	--	--	--	--	--	--	--	96	96	--	--	--	--
Mortgage 4s series A 2043	--	--	--	--	--	--	89	89	89	89	84¾	84⅞	--	--	85	85	83¾	83¾	--	--	84½	84¾	83⅞	86
Mortgage 4s series B 2043	93½	95	92½	93	91⅞	92½	89	92	82	82	85	85	85½	86	--	--	85½	85½	--	--	88	88	82	82
New York Lack & West 4s ser A 1973	76⅜	79	78½	79½	78½	79¼	76	79	75⅛	76½	72	75¼	72⅛	76	75⅜	75¾	75½	76½	76	78	77¼	78	76½	77⅝
3½s series B 1973	82	82¼	83	83	83	83⅛	83	83⅛	83⅛	83½	80	80¾	81½	83	82	83	82	83	81½	83	82½	82½	83	84
N Y New Haven & Hartford—																								
1st & refunding 4s series A 2007	71⅛	72⅝	72	75⅛	72¼	74¾	68½	73	68¼	70	66	68⅜	67½	68¾	66¼	68⅜	65¼	67⅛	65¾	67½	66½	68	66	67¾
General mortgage inc 4½s A 2022	64½	67⅞	66⅜	68¾	65½	67½	x58	66¾	57½	59⅞	55¾	58½	57¾	60¼	57	60⅞	54¾	57½	56	58¾	58	59	55⅞	59⅜
Harlem Riv & Pt Chester 1st 4s 1954	101½	102	101½	101⅝	101¼	101½	100¾	101⅛	100½	100¾	100¼	101	100¼	100½	100 5/16	100 5/16	100 5/16	100 5/16	100 5/16	100 5/16	100 5/16	100 13/32	100 5/16	100 5/16
First mortgage 4½s series A 1973	--	--	--	--	--	--	--	--	99	99	99	99	99	99	--	--	99	99	99	99	--	--	99	99
N Y Ont & Western 1st gold 4s 1992	7½	8⅜	7½	8	7½	8	7	8¼	6½	7½	6½	7⅞	7	8⅛	7	8½	6⅞	7½	6½	7	6⅛	7	5½	6⅛
General 4s 1955	3	3⅞	3	3⅜	3	3⅝	2¾	3¾	2⅝	3⅜	2½	3¾	2⅝	3¾	3⅜	3⅝	3	3½	2⅝	3	2½	2⅞	1¾	2½
N Y Power & Light 1st mtge 2¾s 1975	93¼	93½	92	93½	92	93	89	91½	88	89	86½	88¼	88⅜	90½	91¼	91½	88½	91¾	91¼	93	92½	94	93⅛	93⅞
N Y & Putnam 1st cons gtd g 4s 1993	64⅛	68	67	67¾	65¾	67	64	64½	64⅛	65	61¾	64	63⅛	66½	63¾	66	62½	64½	62⅝	65	62⅝	63½	61	63
New York Steam Corp 3½s 1963	104	105	104	104½	102⅜	104	101½	102¾	101⅜	102¼	100⅜	101⅞	101½	102¾	102⅜	103¾	103¼	103¾	103⅛	103¾	103⅛	103⅝	103¼	103⅝
N Y Susq & West 1st ref g 5s 1937	78	78	80	80½	81¼	81¼	81	82⅜	82	85⅜	83	83	--	--	--	--	--	--	--	--	--	--	--	--
2nd gold 4½s 1937	44	45	43½	43⅝	43	43	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
General gold 5s 1940	26½	29	26⅛	28	26⅛	26⅛	25½	25½	24½	25	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Terminal 1st gold 5s 1943	80½	80½	81	81	84	84	84¼	85½	84	84½	84¼	84¼	--	--	--	--	--	--	--	--	--	--	--	--
Term 1st mtge 4s 1994	--	--	--	--	--	--	--	--	--	--	84	86½	84	86¾	83½	84	--	--	80	80⅝	80	80	80	80¾
1st & cons mtge 4s ser A 2004	--	--	--	--	--	--	70	70	65½	67	60¼	65½	60¾	63	61¼	62½	58⅛	60	58½	60½	60	60⅜	59	62½
General mortgage 4½s series A 2019	--	--	--	--	--	--	61½	61½	56½	56½	50⅛	56½	51¾	54	51⅛	52⅝	49⅞	52⅛	49⅞	52⅛	50¼	52	50	52½
N Y Telephone 2¾s series D 1982	92½	94	91¼	92½	89	91⅜	89	90⅞	86¼	92½	86½	87¾	87⅞	90¼	90	90¼	86¼	90½	91⅛	93	91⅞	93⅝	91	93¼
Refunding mortgage 3⅛s ser E 1978	101	101⅞	99⅜	101⅛	97	99¼	98	98	97½	98½	94¼	97	94¾	96	96¼	96¼	96¼	96¼	96¼	96¼	99¼	99¼	99¾	100⅛
Refunding mortgage 3s series F 1981	98	98½	96½	96¾	94	96	94	94	89	91	91	92	94	95½	94⅜	94⅞	90	94	95¼	95¾	--	--	--	--
Niagara Mohawk Power Corp—																								
General mortgage 2¾s 1980	93	95⅜	91½	93	92⅛	92¼	89⅝	90⅛	--	--	88½	88½	--	--	--	--	--	--	--	--	90⅝	90⅝	91¼	92¼
General mortgage 2⅞s 1980	95¼	95⅞	--	--	--	--	--	--	95½	95½	90	90	--	--	--	--	--	--	--	--	--	--	93¼	94¼
Gen mortgage 3½s 1983	--	--	--	--	--	--	--	--	103⅜	100½	99½	100	--	--	100½	102¼	--	--	101¾	101⅞	104½	105	104	104
Norfolk & Western Ry 1st cons 4s 1996	118	120¾	116	118⅜	114¾	118	110⅞	115	109⅞	110⅞	105⅝	108½	108½	110	110	111¼	109½	111	111½	115	114	116	114	117½
North Central gen & ref 5s ser A 1974	--	--	108	108	--	--	--	--	--	--	--	--	--	--	--	--	106	106	106	106	108⅞	109	--	--
General & ref 4½s series A 1974	103¼	103¼	--	--	103½	103½	104	104	--	--	101	103	--	--	--	--	--	--	106	106	--	--	--	--
Northern Natural Gas Co—																								
4½s debentures 1973	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	106¼	106⅞	107	107½	107½	108½
3⅜s debentures 1973	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	102¼	102¾
Northern Pacific Ry prior lien 4s 1997	104¼	106¾	104½	105⅞	102⅝	106	100	104½	99	101	97	100	98⅝	103	101	102¾	101	103½	102¾	105½	105¼	106½	105½	106½
4s registered 1997	101½	101½	101¼	101½	--	--	99½	99½	--	--	93	93	95¾	95¾	--	--	96	100¼	100	102	--	--	101½	101½
General lien gold 3s Jan 2047	73¼	75½	71¾	74¼	72	73½	68	72⅜	65½	68½	64	67⅝	67⅛	69⅜	68	70½	66¼	69½	69	74	71¾	74¼	70¼	73¼
3s registered 2047	71	71½	70½	70⅝	68½	69½	67	68⅛	64	66	61⅞	64	64	65⅛	64	64¼	64¼	64¼	64⅞	70	68	69½	66	69¼
Refunding & impvt 4½s ser A 2047	99¼	100½	99	101	99¼	101	99	100¼	92½	99¼	91½	93⅛	93	97	94	98¾	93¾	96	96	98½	97¾	99½	98	99⅛
Refunding & impvt 5s series C 2047	102⅜	104½	104⅝	105⅜	104¾	105¼	103½	104¾	100	103⅜	97	99	98	100½	100½	102¾	100⅞	101½	101⅞	103½	103½	104¾	103½	104¼
Refunding & impvt 5s series D 2047	103	104⅝	104	106½	104⅝	105¼	103	104	99½	103¾	96	99½	99⅞	100¼	100¼	102	100⅝	101½	101⅜	104¼	103¼	105	103½	104½
Collateral trust 4½s 1975	103¼	105½	104¼	105¼	104½	105¾	103⅝	104¾	101⅝	104¼	101⅝	102½	102½	102⅞	101⅞	103	102	104	103	104¾	103¾	105	102⅞	104½
Northern States Power—																								
(Minn) 1st mortgage 2¾s 1974	93	93	--	--	--	--	93	93	82	83	--	--	86	87½	--	--	89½	89½	--	--	--	--	93	93
1st mortgage 2¾s 1975	94	94½	92½	93½	92⅜	92½	88⅛	90¾	85¾	88½	86½	88	90¼	90¼	90½	91¼	89¾	92¼	92	94¼	94¼	94¾	92½	94
1st mortgage 2¾s 1979	--	--	--	--	92	92½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1st mortgage 3¼s 1982	--	--	--	--	102¼	102¼	--	--	--	--	95	95	--	--	--	--	95	95	--	--	101	101	--	--
(Wis) 1st mortgage 2⅝s 1977	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Northwestern Bell Tel 2¾s deb 1984	92¼	92⅜	91½	91½	90⅝	90⅝	--	--	--	--	--	--	86¾	86¾	86¾	86¾	--	--	--	--	--	--	--	--

O

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Ohio Edison Co 3s 1974	100⅛	100¾	96½	98	94½	97	93½	95½	93½	94½	91⅛	92	92½	95	93	95	92½	94	94¾	97¾	98	99¼	98	99
1st mortgage 2¾s 1975	93¾	95¾	93½	94⅞	90½	94	89½	91½	88	89½	88	90	90	91⅛	89	89½	88¾	90¼	91½	92¾	93	93¼	92½	94½
1st mortgage 2⅞s 1980	--	--	--	--	--	--	95	95	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Oklahoma Gas & Electric 2¾s 1975	94	94	93	93	92½	93¼	89	90	87¼	87¼	86½	86½	--	--	--	--	86½	86½	89⅛	93⅜	93	94	92¾	93⅜
2⅞s 1st mortgage 1980	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1st mtge 3⅜s 1982	102½	102½	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Oregon-Wash RR & Nav 3s ser A 1960	100¾	101½	100½	101½	100⅜	101¼	99¼	101¼	98¾	100	97½	100	99⅜	100	99⅞	100½	100	100½	100	101⅛	100¼	101	100¼	101¼

P

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Pacific Gas & El 3½s series I 1966	103⅛	103⅛	103⅛	103⅛	103⅛	103½	102	103	102	102⅝	100⅛	102⅝	101	101	--	--	101⅞	101⅞	102	102	--	--	102⅛	102⅛
1st & refunding 3s series J 1970	100¼	101½	98½	101¼	97½	100	96	99	92⅞	95½	93	94¾	94	97½	96¼	98	94⅜	96½	97¾	99½	97¾	99	97	100
1st & refunding 3s series K 1971	98⅛	100¾	97½	98⅞	97½	99¾	93½	97⅛	92	95⅝	93	95⅞	94½	96	94	96⅝	95	96½	97	99¼	98¼	99¼	98½	99½
1st & refunding 3s series L 1974	97¼	98½	96½	97⅞	95	98¼	91½	95	91	93½	92	94	93½	95½	95	95¾	92¼	96⅞	96⅛	98⅜	96½	99	96½	99⅛
1st & ref mtge 3s series M 1979	95¾	97¾	94½	96½	94¼	96	91¼	94⅞	88	92	87½	89⅞	90½	94⅜	91¾	94⅜	91⅝	93⅝	93⅝	97½	95⅝	97¾	95⅛	96⅝
1st & ref mtge 3s series N 1977	96½	98⅝	95	96	94	95⅜	92	94	89	91	88½	90¼	90½	94	93⅛	94¼	91¼	94¼	93¾	98	97½	98⅛	96	96¾
1st & ref mtge 2¾s series P 1981	91½	93	--	--	91	91⅜	91	91	85	85	82½	86	85½	89	89	89	87	87½	91¼	91⅞	91	91⅛	90½	91⅛
1st & ref mtge 2⅞s series Q 1980	93¼	95	92½	93	91	93½	87	88	86¼	88	85½	87½	87⅛	91⅜	91	91⅜	86⅛	90	93	93	92⅞	94¼	93½	94⅜
1st & refunding M 3¼s ser R 1982	100¼	101⅛	99⅝	100⅜	99½	100	95	98⅝	95¼	95½	--	--	97	97½	97¾	97¾	97¼	97¾	97½	97¾	99¼	99¼	97	98½
1st & ref mtge 3s series S 1983	96⅝	98¼	96⅝	96⅝	96	96	--	--	--	--	91	91	91	91	92	92	92½	93⅜	93½	95½	95¾	96½	95½	96¾
1st & ref mtge 2⅞s series T 1976	95	95½	94½	95	94	94⅝	92⅛	92⅛	--	--	90	90	--	--	91⅜	91⅜	89⅛	89⅛	94	94¼	94	95	94	95⅛
1st ref 3⅜s series U 1985	102½	104⅛	100½	102	100½	101½	98⅛	100¼	94¾	96½	94	95	95	98½	97¼	98½	97¼	98⅞	99⅞	102⅞	101¾	102⅜	101¼	102⅜
1st & ref mtge series V 1984	--	--	--	--	--	--	--	--	--	--	--	--	103¼	105½	104⅛	105⅝	103⅞	105⅜	105	107	106¼	107¼	106⅛	107¾
Pacific Tel & Tel 2¾s 1985	90	92¼	89⅜	90⅝	88½	90½	85¼	89	85¼	86¾	82½	83¼	85½	88	85½	88	84⅜	88¼	89⅛	91	90⅝	92⅞	90½	91⅜
2⅞s debentures 1986	92	93¼	91¼	92⅛	91¼	92¾	91⅛	91⅛	--	--	87	87	87	89½	89¼	89⅜	87½	91	91½	94	93¼	93¾	92¼	93¾
3⅛s debentures 1987	96½	99	96½	97½	95	95⅝	91	91½	89¾	91	89¼	89½	90¾	92⅛	92½	93	91½	93½	94¼	98	97½	99¼	98	98¾
3⅛s debentures 1978	100½	101¾	98¼	100¼	98	98¾	96½	97⅝	94⅞	95	96	96⅛	96	97½	95¾	97⅛	95¾	97½	97¾	99¼	100	100¾	100	102
3⅛s debentures 1983	98½	99⅜	97½	98	97¾	97¾	--	--	90	92	90½	90½	--	--	91⅜	92⅜	92	93⅝	97½	98	98¼	98¼	98⅜	98⅜
3½s debs 1981	104½	105⅞	103½	103⅜	103	103¾	102	102¾	--	--	98¼	98¼	99⅛	100	100¼	100½	100½	100½	102	102⅞	103½	104	103	103¾
4s debentures 1984	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	106½	107	106½	107	106½	107⅝

a Deferred delivery sale. r Cash sale. x Sold ex-interest.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Pacific Western Oil Corp—																								
1¼s debentures 1964	--	--	--	--	98½	98½	--	--	--	--	--	--	98½	98½	--	--	105	105	--	--	--	--	--	--
Paducah & Ill 1st s f 4½s 1955	--	--	--	--	--	--	101	101	--	--	--	--	--	--	100½	100½	--	--	--	--	--	--	--	--
Penn-Central Airlines—																								
3½s conv income debentures 1960	85	85	86	87	86¾	88	87	88½	88	89	86	86	86⅛	89	89½	91¼	90	90½	90½	92½	92	93	90⅛	92⅝
Pennsylvania Glass Sand 3½s 1960	100¼	100¼	101¼	101¼	--	--	--	--	100¼	100¼	100¼	100¼	--	--	--	--	--	--	--	--	100¼	100⅝	100½	100½
Pennsylvania Power & Light—																								
1st mortgage 3s 1975	97⅛	98¼	96⅝	98	91	96¾	87½	92	87¾	91¼	90¼	91	91½	93⅜	92¾	94¼	91⅛	93½	93¾	96½	95	97	94½	96⅛
Pennsylvania RR—																								
Consolidated 4½s 1960	108¾	109½	108	109½	108	108¾	107⅝	108⅝	107¼	108¼	105	107½	105	107⅛	106⅝	107½	106⅝	107½	106½	107½	106⅝	107½	106⅝	107⅝
General 4½s series A 1965	104	105	104⅜	105½	103¼	105¼	101¾	104	101½	103½	102	103⅝	102½	104⅞	104¼	105¼	104⅜	105⅛	104½	105½	104¾	105½	104	105½
General 5s series B 1968	108½	109¼	108⅜	109¼	107	109¼	106½	107½	105⅝	108	106	107½	106¾	108¼	108⅜	109¼	108½	109	108½	109¼	108½	109¼	108	109
General 4¼s series D 1981	97	98½	97¼	98½	97	98	93½	97⅜	93¼	94⅛	92⅞	94½	93¾	96	95½	96⅝	96	96⅞	96½	99¼	98½	99½	98	99½
General 4¼s series E 1984	97	98⅜	97⅛	98	96½	97⅞	94	97	93⅜	94	92¾	94	93½	96	95⅜	96½	96	96⅞	96⅞	99	98½	99⅜	98⅛	99⅝
General mtge 3⅛s series F 1985	80½	82¼	80⅝	82¼	80½	81½	76¼	80⅝	75½	77½	74¼	75¼	75	78¼	78½	79	78½	79	79	82½	81½	82½	81	85¾
Peoples Gas Light & Coke—																								
1st refunding 3⅝s series H 1981	104½	105	103	104	102½	103½	101	101¼	--	--	97	98	99	99½	99⅛	100⅛	98⅞	100	99	102⅛	100	103⅛	100⅛	103
Peoria & Eastern 4s extended 1960	86¼	88	85¾	87⅞	87¾	90	87	90	86½	87½	86	87	89	90½	89¼	90⅛	88¾	90	89¼	90	89½	90	89⅝	91
Income 4s 1990	56½	60	58	61	56¼	61¼	52	58¾	51	52½	50	52	50½	52	49	51½	49	50⅛	49	51	52	53½	52¼	55
Pere Marquette Ry 3⅜s ser D 1980	96½	98	95	98	94½	95½	92	95	89¾	92⅛	89	89¾	89	90½	90	91½	91¼	93	93	94	94¾	95½	96	96
Philadelphia Baltimore & Wash—																								
General 5s series B 1974	107½	108	--	--	109⅛	110½	--	--	109	109	109	109	--	--	107	108¾	108	108¾	108½	108½	108⅛	108⅛	--	--
General gold 4½s series C 1977	104½	107	105⅛	105½	105⅛	105¾	105	105½	102	104	99	103	102½	103	104	104	102¾	102¾	102½	103	102½	103	102½	102½
Phila Electric 1st ref mtge 2¾s 1971	95¼	97⅝	93½	94	93½	94⅞	93	93½	88¾	91¾	90	91¼	92½	93	92¾	94¼	92½	93⅛	94¼	95	95⅝	96	95¼	96¾
1st & refund mortgage 2¾s 1967	96⅝	97¾	95¼	96⅞	96	97	95⅝	96½	95⅛	95¾	92⅞	96	95	96¼	95½	96⅛	95	96¼	96¼	97¾	97	98	97¼	98¼
1st & refunding 2¾s 1974	95⅝	95⅝	93½	94	94	94½	--	--	87¼	90	87	90⅛	92⅛	92¾	91½	92⅝	89¾	92¼	92⅝	93¾	93¼	94⅝	93	94¾
1st & refunding 2¾s 1981	94⅝	94⅝	92¼	92¼	91½	91¾	87¾	88	88	88	88½	89¼	--	--	--	--	--	--	90¾	90¾	93	93	92½	93⅝
1st & refunding 2⅞s 1978	97	97	95	96⅛	--	--	92½	92½	90	92½	90	90	--	--	93¼	93¼	93	93	93	94	--	--	--	--
1st ref 3¼s 1982	102¼	103¾	100¼	100¼	101	101½	100	101	97	97	--	--	96	97¾	98⅞	99	98	98⅞	99⅞	102½	101¼	102	100¼	102
1st & refunding mortgage 3⅞s 1983	--	--	--	--	--	--	--	--	--	--	--	--	105	105⅝	105⅜	105⅝	104⅝	105½	105⅞	106¾	106¾	107	--	--
Philippine Ry 1st 30-yr s f 4s 1937	17¾	18½	17¼	18¼	17¼	18	17½	17½	21	23½	22	23⅝	23⅜	24	23⅜	24⅞	24¾	25	25	25½	24⅞	25	25	26
Certificates of deposit	16⅞	19⅜	16¾	18⅜	17¼	17¾	17¼	21½	20⅜	23½	22½	23⅜	23⅝	23⅝	24	24⅞	24⅞	24⅞	25⅜	25⅜	24⅞	24⅞	24⅞	25½
Phillips Petroleum 2¾s 1964	99½	100¼	99¾	100¼	97¾	100¼	96⅝	98⅜	94⅛	96⅝	94	95¼	96	97½	96¼	97⅞	96⅜	98¼	97¾	98⅝	97¾	99	98⅜	99
3.70s conv debentures 1983	--	--	--	--	--	--	--	--	--	--	102⅜	105	104⅝	106	104	106¼	103¼	102⅞	105⅝	107½	107⅛	108	107	108½
Pillsbury Mills 3⅛s debentures 1972	99¾	99¾	99¾	99¾	98½	99⅜	98	98	95	95½	--	--	95	95¼	96⅞	97½	96¾	97½	--	--	100½	100½	--	--
Pitts Bessemer & Lake Erie RR—																								
1st mortgage 2⅞s series A 1996	--	--	--	--	96½	96½	--	--	--	--	94¾	94¾	--	--	90¼	90¼	--	--	--	--	--	--	--	--
Pitts Cinn Chic & St Louis Ry—																								
Cons guaranteed 4s series F 1953	101	101¼	--	--	101	101	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Cons gtd gold 4s series G 1957	103¾	103¾	103¾	103¾	104	104	--	--	103¾	103¾	--	--	--	--	--	--	101⅝	101⅝	--	--	--	--	--	--
Cons gtd gold 4s series H 1960	106	106	--	--	105½	105½	--	--	--	--	--	--	--	--	--	--	102¾	102¾	102¾	102¾	--	--	102¾	102¾
Cons gtd gold 4½s series I 1963	108	108½	108	108	108	109⅛	109⅛	109⅛	109½	109½	108	109½	108	108	108	108	108	108	108	108	108	108	109	109
Cons gtd gold 4½s series J 1964	--	--	109⅛	109⅛	109⅛	109⅛	--	--	109⅛	109⅛	108¼	108¾	108	108	108	108	--	--	108	108	108	108¼	108	108
Pittsbg Cinn Chic & St Louis RR—																								
General mortgage 5s series A 1970	105¼	107½	106¼	107½	105½	106½	103½	105½	104	105½	104⅛	106	104¾	106½	105	106	105	106	105⅝	107	107½	108	108¼	108½
General mortgage 5s series B 1975	105½	107	106¼	107	105½	106½	103	104⅛	103	104¼	104⅛	105	104½	106¾	105½	106½	105	105⅝	105¾	107¼	107½	108	107¼	108¾
General mortgage 3⅜s series E 1975	83	85	83	84½	83⅝	86	82	83¾	82	82⅛	82	82¼	82⅛	84	82¾	83	82½	83	82¾	83⅝	84½	84¾	85⅛	85¾
Pittsbgh Coke & Chem 3½s 1964	100½	101	101⅛	101⅛	101	101⅛	101	101⅛	100½	101½	--	--	--	--	96¾	98½	97	97	--	--	95⅞	96¾	95¾	96
Pittsburgh Consol Coal 3½s debs 1965	100⅞	101	100⅞	100⅞	100⅞	100⅞	100⅞	100⅞	100¾	100⅞	100¾	100¾	96	98	96¼	96¼	96	97	96	97½	97⅜	98⅜	98⅝	100
Pitts Plate Glass 3s debs 1967	100½	101⅞	101	102	98¾	101⅛	98	99¼	98	99½	96½	98¾	98¾	100	99	100¼	99⅛	100	99⅝	102	101	102	100¼	101¼
Pittsburgh & West Va 1st 4½s 1958	97⅝	98	97¾	98½	98¾	100	98	98⅞	98¾	99	96	97½	97¾	98½	96⅞	98	96¾	98½	97½	99	98¾	100⅛	100	101⅜
1st mortgage 4½s series B 1959	97¼	97½	98	98	98⅝	100	98	98½	97	100	95⅞	97	97½	97½	97¾	98	97½	97⅝	97½	97¾	97¾	98½	98¼	100
1st mortgage 4½s series C 1960	97¼	99⅜	98½	99¾	98	99¾	97½	99	95⅛	98	95⅜	96	96⅜	98¼	96⅝	97¾	96⅝	98	97½	98¼	97⅝	97⅞	98¼	100
Pitts Youngstown & Ashtabula—																								
1st general 5s series B 1962	--	--	--	--	104	104	--	--	--	--	--	--	105⅞	106	--	--	104½	104½	--	--	--	--	105¾	106
Pittston Co 5½s 1964	101	101	100⅛	100⅛	100⅛	100¼	100¼	100¼	100⅛	100⅛	99¾	100	--	--	--	--	--	--	--	--	--	--	--	--
Plantation Pipe Line 2¾s 1970	96½	96½	--	--	--	--	93¼	95	--	--	--	--	--	--	--	--	--	--	90	90	--	--	93	93⅛
Potomac Electric Power 3s 1983	98	98	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
First mortgage 2⅞s 1984	94	94	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Providence Terminal 1st 4s 1956	--	--	--	--	--	--	99	99	--	--	97½	97½	98⅛	98⅛	--	--	100⅛	100⅛	100⅛	100⅛	99½	99½	--	--
Public Service Elec & Gas Co—																								
3s debentures 1963	100½	101¼	99⅞	100⅞	99½	100⅜	98	98⅜	97⅞	99¼	96	98½	97½	98⅞	98¼	98¾	98¼	100	99¾	100	99½	100⅝	99¾	100½
1st & refunding mortgage 3¼s 1968	101½	102¼	101	101⅞	102	102½	99	101½	98⅝	99	99	99	--	--	100	100⅛	100	100½	100½	100¾	101¼	101¼	101⅞	102⅛
1st & refunding mortgage 5s 2037	131¾	132¾	132	132	132⅛	132¼	--	--	128	128	127¾	127¾	--	--	--	--	--	--	--	--	--	--	131	131
1st & refunding mortgage 8s 2037	201½	101½	200	201	199	199	195	197¼	190	190	--	--	--	--	--	--	--	--	--	--	190	190	192	192
1st & refunding mortgage 3s 1972	99⅛	99⅝	98½	98½	--	--	98¾	98¾	96½	96½	96½	96½	98	99	--	--	98¼	98¼	--	--	98	98¼	98¼	98¾
1st & refunding mortgage 2⅞s 1979	96½	96½	--	--	--	--	96	96½	84	87	--	--	92	92	91⅞	92	--	--	90¼	94	95½	95½	93¾	95
3⅜s debs 1972	101¾	103⅛	100⅜	101⅞	100	101⅜	98⅜	100¼	98	98⅜	97	98	98¼	99½	99¼	99¾	98¼	99½	99½	101½	101¼	101¾	101⅜	102
1st & ref mtge 3¼s 1983	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	99⅞	99⅞

Q

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Quaker Oats 2⅝s debentures 1964	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	95	95½	93⅞	94½	96	96	96	96⅛

R

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Reading Co 3⅛s series D 1995	84½	86¾	82¼	86¾	82	84½	81½	82¾	81¼	81¾	78½	80½	81½	82⅝	80½	81½	80¼	81½	80½	82¼	81	82¾	80½	81⅝
Reynolds (R J) Tobacco 3s 1973	98¾	100⅛	98¾	99½	--	--	98	98⅝	95½	98	96	96	97	98½	98½	98½	98⅛	98¾	98⅛	98½	98⅝	98⅝	98	99
Rochester Gas & Elec 3¼s ser J 1969	100½	100½	100½	100½	--	--	--	--	96	96	96	96	96	96	--	--	--	--	96	96	97	97	98	98

S

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Saguenay Power 3s ser A 1971	97¼	97¼	96¾	96¾	96¾	96¾	96	96⅛	--	--	--	--	--	--	96	96	--	--	--	--	94¼	94¼	94¼	94¾
St Lawrence & Adir 1st gold 5s 1996	70½	70½	75	76¼	76¾	77½	72½	77	73½	73½	70½	71	73½	75	75	75	74½	74½	74½	74½	73	74½	--	--
2nd gold 6s 1996	84	84	86	86	--	--	--	--	--	--	79	79	78⅛	84	80	80	80	80	79½	79½	79½	79½	79	80
St Louis-San Francisco Ry—																								
1st mtge 4s series A 1997	98¼	99½	98¾	99½	98¾	99½	96¾	99	94¼	96⅞	91	94¼	93¾	96⅛	95⅛	97	94½	96¼	96⅝	99⅜	99	100	99	100⅛
2nd mtge 4½s series B 2022	91	95¾	91½	95¾	91½	94⅝	x85½	93⅜	87	90¼	82	87	85	86½	84	88½	81	84	83¾	85⅝	85¼	86	85	87
St Louis Southwestern RR 1st 4s 1989	111⅝	112	112	112	111	111⅝	--	--	--	--	100	100½	100¾	101⅛	101⅛	101⅜	101⅝	101⅝	103	106	105½	107	100¼	105
2nd gold 4s inc bond ctfs Nov 1989	101¾	101¾	101¾	101¾	101¾	101¾	98	100½	--	--	93	93	--	--	93½	93½	96	96	--	--	96½	96½	97	97
St Paul & Duluth cons 4s 1968	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
St Paul Union Depot 3⅛s "B" 1971	100⅛	100⅛	--	--	--	--	--	--	--	--	93	93	93	93	--	--	92	92	--	--	--	--	--	--
Scioto V & N E 1st gtd 4s 1989	--	--	118	118½	--	--	--	--	109¾	109¾	106	106	--	--	--	--	106	106	110	112	--	--	--	--
Scott Paper 3s conv debs 1977	108	112¼	111	112½	108¼	111½	104⅛	109⅜	105	108½	102½	107½	105	109½	108⅛	112	108	117¾	114¼	119¼	118½	125	121¼	125
Seaboard Air Line RR—																								
1st mtge 3s series B 1980	--	--	92	93½	91½	92	90½	91½	90	90½	--	--	90½	90½	90	90½	86⅛	90	91	91	--	--	91	91
3⅞s debs 1977	101	101	101¼	101¼	--	--	--	--	--	--	99	99	--	--	100¼	100¼	100	100	--	--	99¾	100	--	--
Seagrams (Jos E) & Sons 2½s debs 1996	93½	93½	93¼	93½	--	--	93	93¼	93	93	93	93	93	93	--	--	92¾	92¾	92¾	93	92¾	92¾	--	--
3s debentures 1974	--	--	--	--	96¼	96¼	--	--	97	97	--	--	--	--	94	94¾	--	--	--	--	--	--	--	--
Service Pipe Line 3.20s 1982	100¼	101¼	99¼	100	97	99⅝	97¾	98⅞	96	97⅜	95½	95½	--	--	97	97¾	97¼	97¼	98¾	99	99¼	100¾	100	100
Shell Union Oil 2½s 1971	91½	93	92	93	91	92¾	89¾	91⅞	89½	90½	87	90½	90⅛	92	90	92	89⅞	91⅞	92	93¼	92	93⅜	91⅞	93¼
Silesian American 7s 1941	30	30	--	--	30	30¼	29¼	32½	28	29	28½	29	27	29½	--	--	34	34	32⅝	33½	34	37⅞	37⅝	50¾
Sinclair Oil Corp—																								
3¼s subord conv debentures 1983	105⅜	107⅛	104⅞	106⅜	105	107⅝	97½	105½	95	99¼	92	97¼	95	97½	92¾	97¼	91½	94¼	94	97⅞	95⅞	98	95½	96¾
Skelly Oil 2¾s 1965	--	--	97	98	97	97	96½	96½	--	--	95½	95½	--	--	96	96	96½	96½	97½	97½	97½	97¾	97¼	97⅛
Socony-Vacuum Oil 2½s 1976	90⅛	92½	89¼	91¼	88¼	90	88	90¼	85½	86	85½	87½	87½	90	89	91½	88	90¼	89¾	91⅞	90⅜	92¼	91	92
South & North Alabama gtd 5s 1963	--	--	--	--	111	111	--	--	--	--	--	--	110	110	--	--	--	--	--	--	--	--	--	--
Southern Bell Tel & Tel—																								
3s debentures 1979	96¼	97¾	95⅛	96½	95	96¼	95	95½	90	94¼	90	91¼	94	95¼	93½	95¼	92	94	96	97¼	96⅝	98	97	98½
2¾s debentures 1985	91⅜	92	89¾	91⅝	89⅞	90¾	90	90	85	87	82¾	84½	86¼	89	86	86½	85	89¼	89¾	92	91¼	93⅞	91¼	92½
2⅞s debentures 1987	--	--	--	--	--	--	--	--	--	--	--	--	90¾	90¾	90¾	91¼	--	--	93	94½	--	--	--	--
Southern Indiana Ry 1st m 2¾s 1994	77½	77⅝	79¼	80½	78	78	75	76	73	73½	70	70	70	70	68⅝	70½	69⅞	69⅞	69⅞	72	72	72	69⅞	71½
Southern Natural Gas Co—																								
4½s conv debentures 1973	--	--	--	--	--	--	--	--	101	104⅝	99½	102⅞	102½	105¾	103¼	105⅝	102⅝	106⅝	105⅞	109½	108	109½	108¼	109½
Southern Pacific Co—																								
1st 4½s (Oregon Lines) ser A 1977	103¼	104⅝	103¾	104¾	104	105¼	101¾	104⅛	100⅜	102¾	98½	102½	100¼	102¼	100½	102¼	99¾	102½	102¼	104¾	104	104⅞	102½	104⅞
Gold 4½s 1969	102¾	105	103⅝	104¾	103	105⅜	100¼	103⅝	99½	102¼	97½	101½	100¼	102	101⅜	102⅝	101	103½	102¾	104⅜	103⅞	104⅝	101¾	104½
Gold 4½s 1981	101½	103	102¼	103	102⅛	103⅝	100⅛	102⅞	97¾	100¾	95	99½	99	101	99¾	100⅝	99½	101⅜	100¾	103⅜	102⅞	103⅞	101	103½
3s conv debentures 1960	162½	173	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
San Francisco Term 3⅜s ser A 1975	98	98	--	--	--	--	97½	98	96½	98	97½	97½	97½	97⅝	--	--	97	97	96½	97⅛	--	--	96½	96½
Southern Pacific RR Co—																								
1st mtge 2⅞s series E 1986	84	85½	84⅛	85¼	84¼	86	84¼	86	83¼	83⅝	78	79	80	82½	83½	84⅜	84¼	84½	84	84½	84	85½	85	86
2¾s series F 1996	80	80	78	78	77	80	77	78	74	76	74	76	76	76	76½	80	76¼	77	77½	79½	79	80	79½	80
2¼s series G 1961	94¾	95	94⅞	95½	94¼	95½	93	93	92	92	--	--	93	93	--	--	92	92	--	--	93½	93¾	94¾	95

For footnotes see page 24.

1953 — NEW YORK BOND RECORD — 1953

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Southern Ry 1st consolidated 5s 1994	120	120¼	120	120½	117½	119	116	117¾	113	116	113½	115	114⅛	116	116⅛	117	116¾	116⅞	116¾	120½	120⅞	122¼	122¼	123
Devel & general 4s series A 1956	102¼	103	101¾	103⅛	101¾	102⅜	101¾	102¼	101⅞	102¾	101½	102¼	101½	101⅞	101⅜	102	101⅜	102¼	101⅝	103	101⅝	102½	101⅞	102½
Development & general 6s A 1956	108¼	109	107⅛	109	107⅛	108¼	107¼	107⅝	107	107¼	106⅜	107	106⅜	107½	106¼	106½	106⅛	106½	106⅛	106⅞	106	106¼	105¾	106¼
Devel & general 6½s series A 1956	109½	110½	107¾	110⅝	108¾	109	108½	109⅛	108	108½	107⅜	108	107⅜	108	107⅜	108	107¼	107¾	107¼	108⅛	107	107½	106¾	107¼
Memphis Div 1st gold 5s 1996	108	108	--	--	108	108¼	108	110½	102½	105	103	103	--	--	--	--	103½	104	104	106½	--	--	108	111
Southwestern Bell Tel 2¾s 1985	92	93	91	92¼	89⅛	91	89	91	85¾	87	83	85	85⅜	85⅜	86	89	85¾	89⅞	90½	93	91¼	93⅛	91	92¾
3⅛s debentures 1983	100¾	102⅜	100	100	99½	99½	96¼	96¼	--	--	95	95	--	--	93¾	93¾	--	--	97	97	97½	97½	98½	99½
Spokane International 4½s 2013	70¼	71⅜	71⅞	71⅞	67¾	73	67¾	67¾	66⅝	67¼	67⅝	67⅝	67	67	66	67½	--	--	66½	67	68⅛	68⅛	69	69
Standard Coil Products Co—																								
5s conv subord debentures 1967	98½	101¼	96⅝	98¼	98½	100½	94½	98⅛	95⅛	98	94⅛	95½	93	94⅞	92½	94⅝	88⅛	91⅛	89	92½	90⅝	93	86½	91⅝
Standard Oil Co (Indiana)—																								
3⅛s conv debs 1982	109¼	112¼	107½	109¾	105¾	108⅞	99½	106⅜	98¼	101¾	97	101	100¾	102½	99	102⅜	98¾	101½	101¼	103⅞	102⅜	104	102	103
Standard Oil (N J) 2⅜s 1971	89⅝	91½	90	91	89½	90⅝	87¼	90	86½	88¼	85	88¼	88½	90	89¼	90⅞	88⅞	90¾	90	91¾	89½	91½	90	90¾
2¾s debentures 1974	95½	96¾	95¼	96¼	94⅜	95¼	92	93½	90	91½	89	92	91⅛	94⅜	94⅜	94⅞	93⅛	95	95	96	95⅞	96½	95⅛	96⅞
Stauffer Chem 3⅞s debentures 1973	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	104½	104½	--	--
Sunray Oil 2⅞s debs 1966	95⅛	95⅛	--	--	92	93½	--	--	91	91⅛	--	--	90	90	90¾	91	92	92	--	--	92	92	--	--
Swift & Co 2⅝s debentures 1972	92⅜	94¼	92	92½	93¼	93¼	92¼	92¼	--	--	91	91	--	--	90	90	--	--	--	--	94	95	94	96
2⅞s debentures 1973	--	--	97⅛	97⅛	--	--	--	--	--	--	91	91	92¼	92¼	--	--	--	--	94	94	--	--	--	--

T

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Terminal Assn of St Louis—																								
Ref & improvement 4s series C 2019	115½	115½	115	115	114¾	114¾	107	108½	103	103	102	104	105	105	105⅝	105⅝	105	106	106	106½	106½	106⅞	106½	106½
Ref improvement 2⅞s series D 1985	94	96¼	94	94	93¼	94	94	94	--	--	--	--	89⅞	90	90	90	89½	90½	92½	94¼	93½	93½	93¾	95
Texas Corp 3s 1965	102	102¾	101⅜	102½	100	101½	99⅛	100¾	99⅜	100	97½	99¾	99⅛	100¼	99½	100¼	99¾	100¼	100	102	101	102½	100⅝	101⅝
Texas New Orleans 3¼s B 1970	97¼	97¼	97	97	--	--	--	--	92	92	91	92	92	93½	92⅝	92⅝	92	92½	93⅝	95	94	94⅜	94	94¼
3⅜s series C 1990	96¼	96⅝	96	96	94⅞	96	--	--	87¾	88⅛	87½	88	87⅝	90	89	89½	89⅛	89½	89½	91⅛	91	92½	91½	91⅝
Texas & Pacific 1st gold 5s 2000	126	126	126	126	--	--	122	123	114	122	118	118	118	120	119½	120	120	120	120	121¾	--	--	120	121
Gen & ref mtge 3⅞s series E 1985	102	103½	102⅝	103½	102⅞	103	101	103	97½	99½	96¼	98	98	100¼	99¾	100¼	99¼	100½	99½	101½	101½	102½	101½	103
Texas Pac-Mo Pac Ter 3⅜s 1974	99½	99½	99¼	99¼	98	99	96½	97	96	96	--	--	--	--	--	--	--	--	94⅞	95	95	95	--	--
Third Avenue 1st refunding 4s 1960	49⅜	52½	48½	50	48¾	53⅞	50⅜	53¼	50¼	53	50½	53½	52¼	55	53	56	48⅝	50⅞	49½	52½	51	57	54¼	56¼
Adjust income 5s 1960	13	14¾	13⅛	14¼	13¾	19¾	17½	19¼	17¾	18⅜	18¼	20¼	18	20	17	19½	16⅛	17¾	16	16¾	16⅜	18½	16⅛	17⅜
Toledo & Ohio Central 3¾s 1960	94	95¼	96½	96½	98	98	94	94⅛	--	--	94	94	94½	95	95	96	93	94	94	95	94½	94½	94¼	96
Tri-Continental Corp 2⅞s 1961	96½	97	96	96	95½	95½	95½	95½	--	--	95	95	--	--	--	--	--	--	95	95	--	--	--	--

U

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Union Electric of Missouri 3⅜s 1971	103⅜	105	103¼	103⅜	103⅜	104	102⅜	102⅜	100	100½	97	97¼	99½	99½	99½	100⅛	99¼	99⅞	99⅞	102¼	102	103⅜	103	103½
1st mtge & coll trust 2¾s 1975	--	--	--	--	92	92	88	88¼	88	88	86	86	--	--	89¾	89¾	88¾	88¾	--	--	94	94¼	--	--
3s debentures 1968	--	--	--	--	--	--	100	100	--	--	--	--	96	96	95½	95½	--	--	97½	98⅝	--	--	98¼	99¼
1st mtge & coll trust 2⅞s 1980	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
3¼s 1982	100½	102¼	--	--	98⅜	100	97½	98	95½	96¼	95½	95½	97	97½	97	98¾	--	--	98½	99	100½	100½	100¼	100⅝
Union Oil (Cal) 2¾s debentures 1970	95	96¾	95½	95½	93	94⅛	90	94½	--	--	90⅛	92	90⅝	91¾	--	--	91	92	92¾	95	95¼	95¼	95⅞	97
3⅛s conv debs 1972	105½	107⅞	105⅝	107½	106	109¾	99½	107½	99¼	100⅞	95	100¼	99¼	103½	101	106¾	101	104	101½	105¼	103⅝	105½	104½	105⅞
Union Pacific RR—																								
2⅞s debentures 1976	96	96⅝	95	96	95	95½	89⅞	92	90¼	90¾	90¼	93	93	93⅝	93	93½	93¼	93¼	93¼	95½	93⅞	95¾	93½	95
2½s series C 1991	86⅜	88⅝	85¾	86¾	84	85¾	80	83⅞	79½	81¼	80¼	80½	81¾	83½	82⅛	84	80	84¼	84	85¼	85¼	86¼	85¼	87
Union Tank Car 4¼s s f debs 1973	--	--	--	--	--	--	--	--	--	--	103	103	104¾	104¾	105	105⅛	105	105	105¼	105½	105	105	104½	104¾
United Biscuit 2¾s 1966	97	97	--	--	95½	95¾	--	--	93½	93½	92½	92½	--	--	--	--	94	94	--	--	--	--	95½	95½
3⅜s debs 1977	102¼	102¼	102¼	102¼	102¾	102¾	--	--	--	--	--	--	--	--	--	--	--	--	101	101	--	--	--	--
United Gas Corp 2¾s 1970	--	--	--	--	95	95	91½	91½	93	93	90¼	90¼	92½	97½	--	--	--	--	--	--	92	92	--	--
1st mtge & coll trust 3⅝s 1971	103¾	104½	103	104	103½	104¼	103¼	103⅞	101¾	103	100⅞	102¾	100½	102½	102	102⅞	101⅞	102¼	104	104¼	104	104⅜	103½	104¼
1st mortgage & coll tr 3½s 1972	103⅝	104⅜	102½	103½	101¾	103	100½	102¾	98½	100½	98½	99½	100	100⅝	100⅜	101⅞	101	101½	101⅜	102⅜	102⅞	104	102¾	104
3⅜s s f debentures 1973	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	102	102⅞
4⅜s s f debs 1972	104⅜	105½	104	104⅞	103¾	104⅜	103¾	105⅛	101¾	103	100½	102	102¾	104⅞	103⅞	105	103¾	104⅛	104¾	105½	105½	106½	104¾	105¼
U S Rubber 2⅝s debentures 1976	--	--	90½	90½	86	86	--	--	--	--	--	--	83	84	83	83	82	83	81¼	82½	83½	83½	83⅞	84
2⅝s debentures 1967	93	93	--	--	92⅞	93	92½	92⅞	--	--	--	--	--	--	--	--	--	--	92¼	92¼	92	92½	92½	92½
Universal Pictures 3¾s 1959	95½	96	95½	95½	96	96	95¾	97	95	95	95	95⅜	95	95½	95	95⅛	95	96⅛	95⅝	96½	95½	95¾	95¾	95⅞

V

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Vandalia RR cons g 4s 1955	--	--	--	--	--	--	--	--	--	--	100	100	100	100⅛	--	--	--	--	--	--	99⅝	100¼	100	100
Cons 4s series B 1957	--	--	--	--	--	--	101½	101½	--	--	--	--	101	101	101	101	--	--	--	--	--	--	--	--
Virginia Elec & Power—																								
1st & ref mtge 2¾s series E 1975	93⅜	94¼	92⅞	93¾	92½	93½	90⅞	92	86⅞	88	86½	89½	90¼	91⅜	90	90½	90	90½	92	94	92⅞	94¼	93⅜	94
1st & refunding 3s series F 1978	--	--	--	--	--	--	99	99	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1st ref mtge 2¾s ser H 1980	92⅞	94⅞	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1st ref mtge 3⅜s series I 1981	104	104¼	--	--	--	--	102⅛	102⅛	100	100	--	--	96	98	98½	99½	--	--	102	102	102	102	100¼	100⅜
1st ref mtge 3¼s series J 1982	100½	101¾	100⅜	100⅜	99¾	100⅛	--	--	95	95	94⅛	95½	95	95	97½	97½	97⅞	97⅞	--	--	100½	101¼	101	101¼
Virginia & Southwest 1st gtd 5s 2003	102	102	--	--	--	--	102½	105	102	102	--	--	--	--	102½	102½	--	--	102½	103	102½	102½	--	--
1st consolidated 5s 1958	100	101½	100⅛	101½	99¾	101¼	100¼	101½	101	102	101	102	101	102	101¼	102¼	99	101⅜	100	101½	101	101½	100¾	101½
Virginian Ry 3s series B 1995	92¼	93¾	91	92½	90	91½	87	90	85⅜	87¾	83½	85⅜	84¼	86½	85	88	84¾	86	87	89¼	87⅞	90¾	86⅛	87⅜
1st lien & ref M 3¼s ser C 1973	100¾	100¾	100	100¾	--	--	99½	100½	94½	99¼	98½	99¼	--	--	95⅞	96	94½	96	94	95	--	--	--	--

W

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Wabash RR—																								
4s series A 1981	85½	86	86	86¼	87	87½	88	88⅛	87	88	77	77	76¼	77	76¼	76¼	78	79	79	80	79	79½	78¼	79½
4¼s series B 1991	84	84½	84	85½	84½	85	83⅛	84¼	78	83	75½	79	75½	75½	76½	79	75	77½	78	78⅛	77½	79	78¼	78½
1st mtge 3¼s series B 1971	95¾	96	97	97	95¾	96¾	90	93	88	89½	86	86½	86	90	91	91¼	90	91	91	93	--	--	92½	95¼
Walworth Co 3¼s 1976	80	81⅛	81	81⅛	79	80	79	80	80	80	74	78	74	76	74	74	68	70	67½	70	66⅜	68	66½	68¼
Warren Petroleum Corp—																								
3½s conv debs (subord) 1966	110	113¾	110	113⅝	112½	114¾	105¾	113	107¼	112½	105¼	108⅞	106	107⅛	105½	107½	101½	105	104	107½	104⅝	106	104⅛	106½
Warren RR 1st & ref gtd 3½s 2000	54	54⅛	54½	54½	55	57	57	57	--	--	55	55¾	53¼	53¼	53⅛	54¼	53½	53½	--	--	55½	55½	55¾	55¾
Washington Terminal 2⅝s ser A 1970	--	--	--	--	--	--	--	--	--	--	--	--	90	90	90	90	--	--	--	--	--	--	88¾	88¾
Westchester Light gen mtge 3½s 1967	104¼	104⅞	103½	104⅞	102½	104¼	99½	103⅜	100	102	100⅜	101¼	101¼	103	102	103	102	103¼	103½	104¾	103	104½	103	103¾
Gen mtge 3s gtd 1979	--	--	--	--	95	95	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
West Penn Electric 3½s 1974	102	102	101½	102	102	102⅛	101¾	101¾	98	98	99	99⅜	97¾	98¼	99¼	99¼	--	--	98½	98⅝	98⅝	98¾	99	99
West Penn Power 3½s series I 1966	104½	105½	104⅞	105⅜	104	105	102⅜	104½	101½	102⅞	101	102¼	102⅝	104	102⅞	104	102½	104	104¼	105¼	104⅞	105½	104⅛	104⅞
West Shore 1st 4s guaranteed 2361	64¾	68½	65¼	67⅞	65	66¾	64¼	66¼	63¼	65½	60⅛	63	61⅞	63⅜	61	64	60½	61¾	60½	62½	60⅞	61¾	60½	62
Registered 2361	63	67	64¼	65¾	63	65¼	62	64	60⅛	62⅞	58½	60¾	60	61½	58½	61½	58¼	59¾	58½	60	59	59½	58¼	59¾
Western Maryland Ry Co—																								
4½s-4s series A 1969	102¾	103½	103½	104	102	103¾	100	102¼	99⅞	101⅝	100	100¾	100½	101½	100¾	101¼	100¾	101½	100¾	101¼	101¾	102¼	101½	102
4½s gen mtge ser B 1976	106	106½	105	106	--	--	105	105	--	--	104½	105	104½	105	104½	105	104½	104½	104¾	104¾	--	--	105½	105½
Western Pacific RR—																								
1st ref M 3⅛s series A 1981	96½	96½	--	--	95	95	--	--	--	--	--	--	95	95	--	--	92	92½	--	--	--	--	--	--
Western Union Telegraph 5s 1960	101½	102⅜	102	102⅜	102	103½	102½	104	101	103	100½	102	101½	102½	102	102¾	101⅜	102½	101⅜	102¼	101¾	102½	101⅞	102¾
4⅝s debentures series A 1980	x92	x93⅝	92½	94¼	93½	97⅜	96	99	94¾	95½	94¾	96	94	95	95	95⅞	94	94⅞	94	96	95½	96⅜	96	97
Westinghouse Electric 2⅝s 1971	95	96⅝	96	96	95	95	--	--	90	92	88¾	89	90	90⅝	91	92	91¼	91¼	90⅞	91½	92	93	93⅝	94
Wheeling & Lake Erie RR—																								
General ref M 2¾s 1992	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Wheeling Steel 1st series 3¼s C 1970	100½	101¾	98¼	100	98	99	96½	97⅝	96½	98⅛	95¼	96¾	96	97	95	96⅜	94¾	95	95	95⅛	96⅛	97	96	96¼
1st mortgage 3¼s series D 1967	101⅛	101⅛	--	--	100	100	95	95	--	--	--	--	94⅜	96	--	--	96⅛	96⅛	96¼	96¼	96¾	97	97⅝	97⅝
3½s conv debs 1965	103⅜	104¾	101⅞	104	101½	103½	98¼	102	96	99¼	91¾	96¼	94½	97½	94	97½	92⅛	95¼	93	96¼	94½	96¼	93¼	95⅛
Wilson & Co 3s 1958	100½	101	100½	101	100½	101	98	101½	98¼	99	98¼	100½	97½	99½	99¾	100½	99½	99¾	100¼	100½	100	101½	100	101
Winston-Salem S B 1st 4s 1960	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	102½	102½	102½	102½	103	103
Wisconsin Central 1st gen gold 4s 1949	78⅛	81¼	76¾	79	77½	79½	78¼	81¼	77⅛	78⅞	74	77⅛	x73¾	80½	77½	80½	76	78	75	78	75½	77	76½	77½
Certificates of deposit	77½	80¾	--	--	--	--	--	--	77½	7½	74	75½	--	--	--	--	75¼	75¼	77	77	--	--	--	--
Superior & Duluth Div 1st 4s 1936	63¼	65	64	65½	63¼	64½	63	67	64	64½	63	66¼	65⅜	68½	68	70	66	69¼	69	75	74½	77	76¼	79
Certificates of deposit	--	--	--	--	--	--	--	--	63	63	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Wisconsin Electric Power 2⅝s 1976	90⅜	91	89¾	91	90	90	91	91	--	--	--	--	84	86	86⅛	86⅛	86⅛	86¾	--	--	87½	88⅛	88½	r90⅛
Wisconsin Public Service 3¼s 1971	99½	99⅜	98½	99¾	99¼	100	100	100	93⅛	95	93	93	93	94¾	95½	96¼	95	95	95⅛	96	96⅝	97	97⅛	100

Y

BONDS	January Low	January High	February Low	February High	March Low	March High	April Low	April High	May Low	May High	June Low	June High	July Low	July High	August Low	August High	September Low	September High	October Low	October High	November Low	November High	December Low	December High
Yonkers Electric Light & Power—																								
2⅝s 1976	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	88	88

a Deferred delivery sale. r Cash sale. x Sold ex-interest.